



FY2017 Consolidated Financial Results [IFRS]

(English translation extracted from the original Japanese document)

April 26, 2018
Tokyo Stock Exchange

Company Name: **EXEDY Corporation**
 Code No.: 7278
 URL: <http://www.exedy.com>
 Representative: Hidehito Hisakawa, President
 Contact Person: Hiroshi Toyohara, Tel: +81-72-822-1152
 Director and Executive Managing Officer/Administrative Headquarters Executive General Manager

Scheduled Date for the General Shareholders Meeting: June 26, 2018

Scheduled Payment Date for Dividends: June 27, 2018

Scheduled Filing Date for Annual Securities Report on EDINET: June 26, 2018

Additional Materials for FY2017 Financial Results: Yes (Japanese ver. only)

Briefing Session for FY2017 Financial Results: Yes (For analysts and professional investors)

1. FY2017 Consolidated Performance (April 1, 2017 to March 31, 2018)

(1) Consolidated Operating Results

(Note: All amounts less than one million yen is rounded off)
(Changes from the previous year expressed as a percentage)

	Revenue		Operating Profit		Income before Income Taxes		Profit		Profit Attributable to Owners of Parent		Total Comprehensive Income	
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%
FY2017	283,319	5.6	23,808	3.6	22,499	3.5	16,513	7.3	15,791	10.9	16,135	15.2
FY2016	268,188	-	22,980	-	21,744	-	15,390	-	14,237	-	14,001	-

	Basic Earnings per Share	Diluted Earnings per Share	Ratio of Profit to Equity Attributable to Owners of Parent	Ratio of Income before Income Taxes to Total Assets	Ratio of Operating Profit to Revenue
	yen	yen	%	%	%
FY2017	328.66	-	8.5	7.5	8.4
FY2016	296.39	-	8.1	7.7	8.6

(Reference) Equity in Earnings of Affiliates is 12 million yen for FY2017 and 13 million yen for FY2016.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of Parent	Ratio for Equity Attributable to Owners of Parent	Equity per Share Attributable to Owners of Parent
	millions of yen	millions of yen	millions of yen	%	yen
FY2017	307,385	203,631	191,455	62.3	3,984.29
FY2016	296,089	192,392	180,127	60.8	3,749.53

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Balance of Cash and Cash Equivalents at End of Period
	millions of yen	millions of yen	millions of yen	millions of yen
FY2017	33,006	Δ22,921	Δ7,616	44,698
FY2016	33,362	Δ28,628	5,166	42,392

2. Dividends

	Annual Dividends per Share					Total Dividends millions of yen	Payout Ratio %	Ratio of Dividend to Equity Attributable to Owners of Parent %
	1st Quarter	2nd Quarter	3rd Quarter	Fiscal Year-end	Total			
	yen	yen	yen	yen	yen			
FY2016	-	35.00	-	45.00	80.00	3,853	27.0	2.2
FY2017	-	40.00	-	50.00	90.00	4,335	27.4	2.3
FY2018 (Expected)	-	45.00	-	45.00	90.00		27.0	

3. FY2018 Consolidated Performance Forecast (April 1, 2018 to March 31, 2019)

(Changes from previous financial period expressed as a percentage)

	Revenue		Operating Profit		Income before Income Taxes		Profit Attributable to Owners of Parent		Basic Earnings per Share
	millions of yen	%	millions of yen	%	millions of yen	%	millions of yen	%	yen
1st Half of FY2017	140,000	-	12,000	-	11,500	-	7,500	-	156.08
FY2017	285,000	0.6	25,000	5.0	24,000	6.7	16,000	1.3	332.97

※ General Notes

- (1) Significant Changes in Scope of Consolidation: None
- (2) Changes in Accounting Policies, Accounting Estimations and Restatements
- ① Changes in accounting policies required by IFRS : None
- ② Changes in accounting policies except ① : None
- ③ Changes in accounting estimates : None
- (3) Number of Outstanding Shares (Ordinary shares)

- ① Number of shares outstanding at the end of period (including treasury shares)
- ② Number of treasury shares at the end of period
- ③ Average number of ordinary shares outstanding during the period

FY2017	48,593,736 shares	FY2016	48,593,736 shares
FY2017	541,311 shares	FY2016	553,892 shares
FY2017	48,047,949 shares	FY2016	48,034,659 shares

(Note) The shares held within the ESOP and BIP trust accounts are included in the number of Treasury shares at end of period.
(FY2017 112,187 shares, FY2016 124,881 shares)

Furthermore, the shares held within the ESOP and BIP trust accounts are included in Treasury Shares that are deducted in the calculation of the average number of shares for the period. (FY2017 116,708 shares, FY2016 116,379 shares)

※ This Financial Report is not subject to audit procedure.

※ Regarding the appropriate use of performance forecasts and other information

- Our consolidated performance has been prepared based on IFRS (International Financial Reporting Standards) since the end of FY2017 in place of conventional Japanese standards. For that reason, we also disclose the numbers of previous consolidated fiscal year in conformity with IFRS.
- The above forecast is based on the information available, or the assumptions which the Company thinks reasonable as of the release of this report. Actual results might be different from the above estimates due to subsequent changes in circumstances.

4. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

	The Date of Transition (April 1, 2016)	FY2016 (March 31, 2017)	FY2017 (March 31, 2018)
	millions of yen	millions of yen	millions of yen
Assets			
Current Assets			
Cash and Cash Equivalents	32,923	42,392	44,698
Trade and Other Receivables	48,808	53,352	55,063
Other Current Financial Assets	763	1,023	1,642
Inventories	30,509	31,433	32,892
Other Current Assets	5,747	4,026	3,907
Total Current Assets	118,749	132,226	138,202
Non-current Assets			
Tangible Fixed Assets	141,968	152,782	156,867
Goodwill and Intangible Assets	3,970	3,809	3,564
Investments Accounted for Using the Equity Method	182	145	137
Investments in Equity Instruments	2,168	2,369	3,610
Other Non-current Financial Assets	310	269	153
Deferred Tax Assets	1,688	2,099	2,523
Retirement Benefit Assets	982	992	1,071
Other Non-current Assets	1,507	1,397	1,258
Total Non-current Assets	152,776	163,863	169,183
Total Assets	271,526	296,089	307,385

	The Date of Transition (April 1, 2016)	FY2016 (March 31, 2017)	FY2017 (March 31, 2018)
	millions of yen	millions of yen	millions of yen
Liabilities and Equities			
Liabilities			
Current Liabilities			
Bonds and Borrowings	17,135	11,358	8,676
Trade and Other Payables	34,978	37,632	39,573
Other Current Financial Liabilities	82	58	150
Income Tax Payables	2,050	3,960	4,093
Short-term Employee Benefits	1,381	1,340	1,330
Provisions	1,300	2,881	3,267
Other Current Liabilities	1,285	1,658	2,714
Total Current Liabilities	58,211	58,888	59,803
Non-current Liabilities			
Bonds and Borrowings	21,300	34,770	35,052
Other Non-current Financial Liabilities	356	229	155
Retirement Benefit Liabilities	5,587	5,735	5,849
Deferred Tax Liabilities	3,309	3,402	2,204
Other Non-current Liabilities	546	674	691
Total Non-current Liabilities	31,097	44,810	43,950
Total Liabilities	89,308	103,697	103,754
Equity			
Capital	8,284	8,284	8,284
Capital Surplus	7,564	7,606	7,656
Treasury Shares	△1,445	△1,400	△1,367
Other Components of Equity	920	△409	△926
Retained Earnings	155,100	166,046	177,808
Total Equity Attributable to Owners of Parent	170,423	180,127	191,455
Non-controlling Interests	11,795	12,265	12,177
Total Equity	182,218	192,392	203,631
Total Liabilities and Equity	271,526	296,089	307,385

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

	FY2016 (From: April 1, 2016 To: March 31, 2017)	FY2017 (From: April 1, 2017 To: March 31, 2018)
	millions of yen	millions of yen
Revenue	268,188	283,319
Cost of Sales	210,799	225,619
Gross Profit	57,388	57,700
Selling, General and Administrative Expenses	34,234	33,275
Other Operating Income	1,671	1,195
Other Operating Expenses	1,845	1,812
Operating Profit	22,980	23,808
Financial Income	214	175
Financial Expenses	1,464	1,497
Equity in Earnings of Affiliates	13	12
Income before Income Taxes	21,744	22,499
Income Taxes	6,353	5,986
Profit	15,390	16,513
Attribution of Profits		
Owners of Parent	14,237	15,791
Non-controlling Interests	1,154	722
Profit	15,390	16,513
Basic and Diluted Earnings per Share (yen)	296.39	328.66

(Consolidated Statement of Comprehensive Income)

	FY2016 (From: April 1, 2016 To: March 31, 2017)	FY2017 (From: April 1, 2017 To: March 31, 2018)
	millions of yen	millions of yen
Profit	15,390	16,513
Other Comprehensive Income		
Items that will Not Be Reclassified to Profit or Loss		
Equity Instruments Measured at Fair Value through Other Comprehensive Income	299	166
Re-measurements of Defined Benefit Plans	21	61
Total of Items that will Not Be Reclassified to Profit or Loss	319	226
Items that may Be Reclassified to Profit or Loss		
Exchange Differences on Translation of Foreign Operations	△1,707	△612
Share of Other Comprehensive Income of Investments Accounted for Using Equity Method	△2	7
Total of Items that may Be Reclassified to Profit or Loss	△1,709	△605
Other Comprehensive Income	△1,389	△378
Comprehensive Income	14,001	16,135
Attribution of Comprehensive Income		
Owners of Parent	12,983	15,335
Non-controlling Interests	1,018	801
Comprehensive Income	14,001	16,135

(3) Consolidated Statement of Changes in Equity

	Equity Attributable to Owners of Parent						
	Capital	Capital Surplus	Treasury Shares	Other Components of Equity			Total
				Exchange Differences on Translation of Foreign Operations	Equity Instruments Measured at Fair Value through Other Comprehensive Income	Re-measurements of Defined Benefit Plans	
millions of yen	millions of yen	millions of yen	millions of yen	millions of yen	millions of yen	millions of yen	
Balances as of April 1, 2016	8,284	7,564	△1,445	-	920	-	920
Profit	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	△1,573	299	21	△1,254
Total Comprehensive Income for the Period	-	-	-	△1,573	299	21	△1,254
Acquisition of Treasury Shares	-	-	△1	-	-	-	-
Disposal of Treasury Shares	-	△4	45	-	-	-	-
Dividends of Surplus	-	-	-	-	-	-	-
Share-based Payment Transactions	-	47	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	△54	△21	△75
Total Transaction Amount with Owners	-	42	44	-	△54	△21	△75
Changes for the Period	-	42	44	△1,573	244	-	△1,329
Balances as of March 31, 2017	8,284	7,606	△1,400	△1,573	1,165	-	△409
Profit	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	△683	166	61	△457
Total Amount of Comprehensive Income for the Period	-	-	-	△683	166	61	△457
Acquisition of Treasury Shares	-	-	△0	-	-	-	-
Disposal of Treasury shares	-	6	33	-	-	-	-
Dividends of Surplus	-	-	-	-	-	-	-
Share-based Payment Transactions	-	44	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	△61	△61
Total Transaction Amount with Owners	-	49	33	-	-	△61	△61
Changes for the Period	-	49	33	△683	166	-	△517
Balances as of March 31, 2018	8,284	7,656	△1,367	△2,256	1,330	-	△926

	Equity Attributable to Owners of Parent		Non-controlling Interests	Total Equity
	Retained Earnings	Total		
	millions of yen	millions of yen	millions of yen	millions of yen
Balances as of April 1, 2016	155,100	170,423	11,795	182,218
Profit	14,237	14,237	1,154	15,390
Other Comprehensive Income	-	△1,254	△136	△1,389
Total Comprehensive Income for the Period	14,237	12,983	1,018	14,001
Acquisition of Treasury Shares	-	△1	-	△1
Disposal of Treasury Shares	-	41	-	41
Dividends of Surplus	△3,366	△3,366	△548	△3,914
Share-based Payment Transactions	-	47	-	47
Transfer To Retained Earnings	75	-	-	-
Total Transaction Amount with Owners	△3,291	△3,279	△548	△3,827
Changes Amount for the Period	10,946	9,704	470	10,174
Balances as of March 31, 2017	166,046	180,127	12,265	192,392
Profit	15,791	15,791	722	16,513
Other Comprehensive Income	-	△457	78	△378
Total Amount of Comprehensive Income for the Period	15,791	15,335	801	16,135
Acquisition of Treasury Shares	-	△0	-	△0
Disposal of Treasury Shares	-	39	-	39
Dividends of Surplus	△4,089	△4,089	△888	△4,978
Share-based Payment Transactions	-	44	-	44
Transfer to Retained Earnings	61	-	-	-
Total Transaction Amount with Owners	△4,029	△4,007	△888	△4,895
Changes for the Period	11,763	11,328	△88	11,240
Balances as of March 31, 2018	177,808	191,455	12,177	203,631

(4) Consolidated Statement of Cash Flows

	FY2016 (From: April 1, 2016 To: March 31, 2017)	FY2017 (From: April 1, 2017 To: March 31, 2018)
	millions of yen	millions of yen
Cash Flows from Operating Activities		
Income before Income Taxes	21,744	22,499
Depreciation and Amortization Expenses	16,456	17,104
Interest and Dividend Income	△214	△175
Interest Expenses	1,031	995
Equity in Earnings of Affiliates (△ is Profit)	△13	△12
Profit or Loss from Foreign Exchange (△ is Profit)	200	△108
Changes of Inventories (△ is Increase)	△1,619	△1,932
Changes of Trade and Other Receivables (△ is Increase)	△5,434	△1,731
Changes of Trade and Other Payables (△ is Decrease)	2,703	2,200
Other	4,776	2,420
Subtotal	39,629	41,259
Interest and Dividends Received	234	258
Interest Paid	△1,040	△981
Income Taxes Paid	△5,461	△7,531
Cash Flows from Operating Activities	33,362	33,006
Cash Flows from Investing Activities		
Payments into Time Deposit	△348	△428
Payments for Acquisition of Tangible Fixed Assets	△27,499	△20,924
Proceeds from Sales of Tangible Fixed Assets	131	369
Payments for Acquisition of Intangible Assets	△1,302	△969
Other	391	△970
Cash Flows from Investing Activities	△28,628	△22,921
Cash Flows from Financing Activities		
Increase by Short-term Borrowings	10,968	12,921
Repayments of Short-term Borrowings	△13,096	△12,843
Proceeds from Non-current Borrowings	13,041	4,632
Repayments of Non-current Borrowings	△4,819	△7,340
Proceeds from Issue of Bonds	10,000	-
Redemption of Bonds	△7,000	-
Dividends Paid	△3,366	△4,089
Other	△563	△897
Cash Flows from Financing Activities	5,166	△7,616
Effect of Exchange Rate Changes on Cash & Cash Equivalents	△431	△162
Changes of Cash and Cash Equivalents (△ is Decrease)	9,469	2,306
Balances of Cash and Cash Equivalents at the Beginning of Period	32,923	42,392
Cash and Cash Equivalents at the End of Period	42,392	44,698

(5) Notes for Consolidated Financial Statements (Notes for Going Concern)

Not applicable.

【Segment Information】

1. General Information

The reportable segments are components of business activities for which discrete, and such information is regularly reviewed by the Company's Board of Directors in order to make decisions about the allocation of resources and assess its performance.

The Company and its consolidated subsidiaries are mainly engaged in the manufacture and sale of automotive parts. From the aspects of function, technological specification and productive structure, the product lines of the Company are classified roughly into 2 group, "Manual Transmission Parts" and "Automatic Transmission Parts". The Company, in corporation with its consolidated subsidiaries, design business strategy and conduct business for these 2 product lines inside Japan and overseas. And concerning these 2 product lines, separate financial information is accessible among the constituent units of the Company and that are subject to periodical examination, in order to the Board of Directors of the Company to determine the allocation of management resources. Accordingly, the reportable segments of the Company are composed of 2 segments, "MT (Manual automotive drivetrain related business)" which manufactures and sells Manual Transmission Parts and "AT (Automatic automotive drivetrain related business)" which manufactures and sells Automatic Transmission Parts.

2. Information about Revenue and Profit/Loss for the each Reportable Segment

FY2016 (April 1, 2016 to March 31, 2017)

(Millions of yen)

	Reportable Segment			Other (Note)	Adjustments	Consolidated
	MT	AT	Total			
Revenue						
External Customers	66,700	169,956	236,656	31,532	-	268,188
Intersegments	129	2,966	3,095	7,586	△10,681	-
Total	66,829	172,921	239,750	39,118	△10,681	268,188
Segment Profit	11,035	10,978	22,014	1,074	△107	22,980
Financial Income						214
Finance Expenses						1,464
Equity in Earnings of Affiliates						13
Income before Income Taxes						21,744

(Note) 1. Others includes businesses which is not part of any of the 2 reportable segments, and contain industrial machine drivetrain operation, clutches for motorcycle operation, transport operation, etc.

2. Amount of intersegments transactions is based on market price.

3. Segment profit is based on operating profit on consolidated statement of income.

4. Elimination of intersegment transactions and corporate expenses are included in adjustments.

FY2017 (April 1, 2017 to March 31, 2018)

(Millions of yen)

	Reportable Segment			Other (Note)	Adjustments	Consolidated
	MT	AT	Total			
Revenue						
External Customers	70,840	177,776	248,616	34,703	-	283,319
Intersegments	183	2,591	2,774	7,517	△10,291	-
Total	71,023	180,367	251,390	42,220	△10,291	283,319
Segment Profit	10,050	11,974	22,024	3,223	△1,439	23,808
Financial Income						175
Finance Expenses						1,497
Equity in Earnings of Affiliates						12
Income before Income Taxes						22,499

(Note) 1. Others includes businesses which is not part of any of the 2 reportable segments, and contain industrial machine drivetrain operation, clutches for motorcycle operation, transport operation, etc.

2. Amount of intersegments transactions is based on market price.

3. Segment profit is based on operating profit on consolidated statement of income.

4. Elimination of intersegment transactions and corporate expenses are included in adjustments.

【Per Share Information】

Basis for calculating profit per share is as follows. There are no potentially dilutive ordinary shares during previous consolidated fiscal year and current consolidated fiscal year.

1. Profit Attributable to Owners of Parent

(Millions of yen)

	FY2016 (From: April 1, 2016 To: March 31, 2017)	FY2017 (From: April 1, 2017 To: March 31, 2018)
Profit Attributable to Owners of Parent	14,237	15,791

2. Average Number of Shares Outstanding during the Period

(Thousand shares)

	FY2016 (From: April 1, 2016 To: March 31, 2017)	FY2017 (From: April 1, 2017 To: March 31, 2018)
Average Number of Shares Outstanding during the Period	48,034	48,047

【Significant Subsegment Events】

Not applicable.