

Summary of Financial Results of Fiscal Year 2018 Ended March 31, 2019

April 25, 2019

Company Name:	Sekisui Chemical Co., Ltd.
Stock Listings:	Tokyo Stock Exchange
Code Number:	4204
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Scheduled General Meeting of Shareholders:	June 20, 2019
Scheduled date for payment of dividends:	June 21, 2019
Scheduled date for submission of financial statement:	June 20, 2019
Earnings supplementary explanatory documents:	Yes
Earnings results briefing:	Yes

(Figures rounded down to the nearest million yen)

1. Consolidated Business Results for the Fiscal 2018 (April 1, 2018 to March 31, 2019)

(1) Consolidated Business Results (% change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2018	1,142,713	3.2	95,686	-3.6	93,146	-0.8	66,093	4.2
FY2017	1,107,429	3.9	99,231	2.9	93,929	2.6	63,459	4.3

(Note) Comprehensive income March 31, 2019: 55,648 million yen (-24.7%), March 31, 2018: 73,898 million yen (28.2%)

	Net Income Attributable to Owners of the Parent per Share	Net Income Attributable to Owners of the Parent per Share (Diluted)	Net Income to Equity Ratio	Ordinary Income to Total Assets Ratio	Operating Income Ratio
	yen	yen	%	%	%
FY2018	141.74	141.64	11.1	9.2	8.4
FY2017	133.80	133.58	11.2	9.7	9.0

(Note) Equity in earnings of affiliated companies March 31, 2019: 2,450 million yen, March 31, 2018: 2,508 million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity to Total Assets	Net Assets per Share
	Millions of yen	Millions of yen	%	yen
FY2018	1,023,706	632,746	59.3	1,307.75
FY2017	994,137	612,757	59.1	1,245.91

(Note) Shareholders' Equity: March 31, 2019: 607,123 million yen, March 31, 2018: 587,766 million yen

(3) Consolidated Cash Flows

	Operating Activities	Investing Activities	Financing Activities	End of Year Cash and Cash Equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2018	85,213	-62,553	-31,539	68,613
FY2017	82,272	-60,881	-35,981	76,723

2. Dividend Status

(Date of Record)	Dividend Per Share					Total Dividend Payment (full year)	Dividend Payout Ratio (consolidated)	Dividend to equity ratio (consolidated)
	At the end of 1Q	At the end of 2Q	At the end of 3Q	Year-end	Full year			
	yen	yen	yen	yen	yen	Millions of yen	%	%
FY2017	-	19.00	-	21.00	40.00	18,951	29.9	3.3
FY2018	-	21.00	-	23.00	44.00	20,483	31.0	3.4
FY2019 (outlook)	-	23.00	-	23.00	46.00		31.0	

Note. Recent revision of dividend estimates: Yes

3. Consolidated Outlook for Fiscal 2019 (April 1, 2019 to March 31, 2020)

(% change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent		Net Income Attributable to Owners of the Parent per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Mid-term	569,000	2.5	43,000	2.0	43,000	-6.2	29,000	-11.0	62.47
Full Year	1,175,000	2.8	103,000	7.6	100,000	7.4	69,000	4.4	148.63

4. Other

(1) Significant change of subsidiary companies during the term (change of specified subsidiaries that affected the scope of consolidated reporting): No

(2) Changes to the accounting policy, changes or restatements of the accounting estimates

a) Changes caused by revisions to accounting principles: No

b) Changes other than a): No

c) Amendments to accounting estimates: No

d) Restatements: No

(3) Number of shares outstanding (common stock)

a) Number of shares outstanding at the end of term (including treasury stock)	FY2018	492,507,285 shares
	FY2017	500,507,285 shares

b) Treasury stock at the end of term	FY2018	28,256,058 shares
	FY2017	28,750,482 shares

c) Average outstanding shares in the period	FY2018	466,299,392 shares
	FY2017	474,280,098 shares

(Reference information) Non-consolidated financial results for the Fiscal 2018 (April 1, 2018 to March 31, 2019)

(1) Non-Consolidated Business Results (% change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2018	359,993	0.9	20,901	-16.3	42,395	-1.8	38,454	1.7
FY2017	356,785	2.7	24,973	9.8	43,192	27.1	37,807	47.4

	Net Income per Share	Net Income per Share (Diluted)
	yen	yen
FY2018	82.41	82.35
FY2017	79.66	79.53

(2) Non-Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	yen
FY2018	593,435	307,021	51.7	660.50
FY2017	592,484	311,286	52.5	658.79

(Note) Shareholders' Equity : March 31, 2019: 306,864 million yen, March 31, 2018: 311,015 million yen

Note: Execution chart for audit procedures

The Financial Instruments and Exchange Law does not require this brief announcement of the most recent financial statements to be subject to audit review.

Note: Remarks on appropriate use of forecasted results of operation and other special matters

The earnings forecasts and other forward-looking statements presented in this report are based on information available at the time of the report and on certain assumptions that the Company considers reasonable.

Forward-looking statements in no capacity represent a guarantee that the Company will achieve the stated amounts. Various factors can cause actual results to differ materially from the forecasts.

(Supplementary Material)

I. Qualitative Information and Financial Review

1. Consolidated Business Results

Please see the following attachment of materials from presentation of Financial Results for FY2018.

https://www.sekisuichemical.com/ir/library/event_account/index.html

[The Presentation Meeting is scheduled to be held on April 25, 2019, at 3:30 p.m. Japan time]

2. Fundamental Profit Distribution Policy and Dividends for Fiscal 2018 and Fiscal 2019

Increasing corporate value and actively returning profits to shareholders are fundamental management objectives at Sekisui Chemical. As far as the Company's profit distribution policy to shareholders is concerned, Sekisui Chemical seeks to secure a DOE of around 3% while targeting a dividend payout ratio of 30% on a consolidated basis, and implements stable dividend measures in line with its performance.

The Company pays dividends twice annually, with the dates of record set as the last day of the first half (September 30) and the last day of the fiscal year (March 31). Surplus funds are flexibly used for share buyback, to improve capital efficiency, and to increase earnings per share with the objective of enhancing shareholders' return. Internal cash reserves are utilized for R&D, capital investment, strategic investment, loans and investments, and other activities essential to enhancing future corporate value.

In consideration of the Company's ongoing solid performance, the target payout ratio, and other factors, the Company plans to add ¥2 per share from the most recent forecast of ¥21 per share to ¥23 per share to its fiscal year-end dividend and pay a full fiscal year dividend of ¥44 per share.

	Dividend per Share (yen)		
	End of the 1H	Fiscal Year-End	Total
Previous forecast (announce of April 26, 2018)		21.00	42.00
Revised forecast	-	23.00	44.00
Fiscal 2018 results	21.00	-	-
Fiscal 2017 results	19.00	21.00	40.00

In fiscal 2019, the Company plans to provide a first half period-end dividend of ¥23 per share and a fiscal year-end dividend of ¥23 for a full fiscal year dividend distribution of ¥46 per share.

II. Basic policy on the selection of accounting standards

The Sekisui Chemical Group currently prepares its consolidated financial statements based on the generally accepted accounting principles of Japan (J-GAAP) in order to facilitate comparison between the periods and the companies presented in the statements.

The Group is presently reviewing its internal policies and the Group organizational structure and is considering the appropriate timing for the adoption of international financial reporting standards (IFRS).

III. Consolidated Financial Statement (Fiscal Year 2018)

(1) Consolidated Balance Sheets

(Millions of Yen)

	End Fiscal Year 2017 (As of March 31, 2018)	End Fiscal Year 2018 (As of March 31, 2019)
(Assets)		
Current assets		
Cash and deposits	77,996	69,882
Notes receivable, trade	45,959	44,624
Accounts receivable, trade	137,304	142,349
Marketable securities	0	0
Merchandise and finished goods	62,185	66,516
Land for sale	30,926	38,266
Work in process	46,984	53,207
Raw materials and supplies	30,362	34,198
Advance payments	1,547	1,950
Prepaid expenses	3,762	4,323
Short-term loans receivable	7,230	2,095
Other current assets	16,537	14,015
Allowance for doubtful accounts	-1,597	-1,394
Total current assets	459,201	470,037
Non-current assets		
Property, plant and equipment, net		
Buildings and structures	93,140	101,189
Machinery, equipment and vehicles	77,803	82,923
Land	73,299	78,266
Leased assets	10,146	10,357
Construction in progress	14,890	25,400
Other	10,457	11,318
Total property, plant and equipment, net	279,738	309,455
Intangible assets		
Goodwill	17,640	16,953
Software	8,177	9,612
Leased assets	208	175
Other	25,071	24,034
Total intangible assets	51,097	50,775
Investments and other assets		
Investments in securities	177,707	163,334
Long-term loans receivable	1,048	2,281
Long-term prepaid expenses	1,519	1,487
Asset for retirement benefits	200	202
Deferred tax assets	12,078	12,797
Other	13,587	15,535
Allowance for doubtful accounts	-2,042	-2,200
Total investments and other assets	204,099	193,438
Total non-current assets	534,935	553,669
Total assets	994,137	1,023,706

(Millions of Yen)

	End Fiscal Year 2017	End Fiscal Year 2018
	(As of March 31, 2018)	(As of March 31, 2019)
(Liabilities)		
Current liabilities		
Notes payable, trade	4,972	4,268
Electronically recorded obligations	26,639	27,626
Accounts payable, trade	99,208	98,546
Short-term debt and current portion of long-term debt	10,974	7,685
Commercial paper	7,000	17,000
Current portion of bonds	16	16
Lease obligations	3,317	3,607
Accrued expenses	40,942	41,400
Accrued income taxes and other taxes	11,109	10,968
Allowance for bonuses to employees	16,886	17,918
Allowance for bonuses to directors and audit and supervisory board members	343	272
Provision for compensation for completed constructions	1,191	1,311
Provision for stock-based compensation	138	133
Advances received	38,798	43,069
Other	37,511	37,356
Total current liabilities	299,050	311,180
Long-term liabilities		
Bonds	10,036	10,019
Long-term debt less current portion	7,966	8,603
Lease obligations	7,016	6,916
Deferred tax liabilities	4,750	3,860
Liability for retirement benefits	46,501	44,585
Provision for stock-based compensation	282	395
Other	5,774	5,398
Total long-term liabilities	82,328	79,779
Total liabilities	381,379	390,960
(Net assets)		
Shareholders' equity		
Common stock	100,002	100,002
Capital surplus	109,031	109,221
Retained earnings	374,101	408,008
Treasury stock, at cost	-42,461	-44,337
Total shareholders' equity	540,673	572,894
Accumulated other comprehensive income:		
Unrealized holding gain on securities	46,346	36,828
Deferred loss on hedges	-49	-32
Unrealized gain on land revaluation	321	321
Translation adjustments	3,116	2,123
Retirement benefit adjustments	-2,643	-5,011
Total accumulated other comprehensive income	47,092	34,229
Stock acquisition rights	271	156
Non-controlling interests	24,720	25,465
Total net assets	612,757	632,746
Total liabilities and net assets	994,137	1,023,706

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

	(Millions of Yen)	
	Fiscal Year 2017 (From April 1, 2017 to March 31, 2018)	Fiscal Year 2018 (From April 1, 2018 to March 31, 2019)
Net sales	1,107,429	1,142,713
Cost of sales	745,346	774,647
Gross profit	362,082	368,065
Selling, general and administrative expenses	262,850	272,378
Operating Income	99,231	95,686
Non-operating income		
Interest income	963	1,072
Dividends income	3,952	4,444
Equity in earnings of affiliates	2,508	2,450
Foreign exchange gain, net	-	1,018
Miscellaneous income	4,506	2,958
Total non-operating income	11,931	11,944
Non-operating expenses		
Interest expenses	533	480
Sales discounts	414	411
Foreign exchange loss, net	2,480	-
Miscellaneous expenses	13,806	13,593
Total non-operating expenses	17,233	14,485
Ordinary income	93,929	93,146
Extraordinary income		
Gain on sales of investments in securities	-	3,411
Gain on sales of property, plant and equipment	2,469	-
Total extraordinary income	2,469	3,411
Extraordinary loss		
Loss on impairment of fixed assets	701	1,274
Loss on sales or disposal of property, plant and equipment	1,355	1,373
Total extraordinary loss	2,056	2,648
Income before income taxes	94,342	93,908
Income taxes		
Current	23,393	22,261
Deferred	4,232	3,167
Total income taxes	27,626	25,428
Net income	66,716	68,480
Net income attributable to:		
Non-controlling interests	3,256	2,386
Owners of the parent	63,459	66,093

(Consolidated Statement of Comprehensive Income)

	(Millions of Yen)	
	Fiscal Year 2017 (From April 1, 2017 to March 31, 2018)	Fiscal Year 2018 (From April 1, 2018 to March 31, 2019)
Net income	66,716	68,480
Other comprehensive income (loss)		
Unrealized holding loss (gain) on securities	6,144	-9,052
Deferred gain on hedges	3	16
Translation adjustments	2,364	-923
Retirement benefit adjustments	-2,217	-2,277
Comprehensive income of affiliates accounted for by the equity method attributable to the Company	887	-595
Total other comprehensive loss (income)	7,182	-12,832
Comprehensive income	73,898	55,648
Comprehensive income attributable to:		
Owners of the parent	70,442	53,230
Non-controlling interests	3,455	2,417

(3) Consolidated Statement of Changes in Net Assets
 Fiscal 2017 (April 1, 2017 to March 31, 2018)

(Millions of Yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2017	100,002	109,192	341,009	-40,969	509,234
Changes					
Cash dividends			-18,137		-18,137
Net income attributable to owners of the parent			63,459		63,459
Decrease in retained earnings resulting from inclusion of subsidiaries in consolidation			691		691
Retirement of treasury stock		-12,904		12,904	-
Purchase of treasury stock				-16,006	-16,006
Disposal of treasury stock		-32		1,608	1,576
Transfer from retained earnings to capital surplus		12,921	-12,921		-
Change in shareholders' equity due to transactions with non-controlling interests		-145			-145
Net changes of items other than shareholders' equity					-
Total changes of items during the year	-	-161	33,092	-1,492	31,438
Balance at March 31, 2018	100,002	109,031	374,101	-42,461	540,673

	Accumulated other comprehensive income (loss)						Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized holding gain (loss) on securities	Deferred gain (loss) on hedges	Unrealized gain on land revaluation	Translation adjustments	Retirement benefit adjustments	Total accumulated other comprehensive income (loss)			
Balance at April 1, 2017	39,463	-52	321	941	-565	40,109	418	20,787	570,549
Changes									
Cash dividends									-18,137
Net income attributable to owners of the parent									63,459
Decrease in retained earnings resulting from inclusion of subsidiaries in consolidation									691
Retirement of treasury stock									-
Purchase of treasury stock									-16,006
Disposal of treasury stock									1,576
Transfer from retained earnings to capital surplus									-
Change in shareholders' equity due to transactions with non-controlling interests									-145
Net changes of items other than shareholders' equity	6,882	3	-	2,175	-2,078	6,983	-147	3,933	10,769
Total changes of items during the year	6,882	3	-	2,175	-2,078	6,983	-147	3,933	42,208
Balance at March 31, 2018	46,346	-49	321	3,116	-2,643	47,092	271	24,720	612,757

Sekisui Chemical (4204) Summary of Consolidated Financial Results for the Fiscal Year 2018 Ended March 31, 2019

Fiscal 2018 (April 1, 2018 to March 31, 2019)

(Millions of Yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock, at cost	Total shareholders' equity
Balance at April 1, 2018	100,002	109,031	374,101	-42,461	540,673
Changes					
Cash dividends			-19,713		-19,713
Net income attributable to owners of the parent			66,093		66,093
Decrease in retained earnings resulting from inclusion of subsidiaries in consolidation			-499		-499
Retirement of treasury stock		-11,945		11,945	-
Purchase of treasury stock				-14,571	-14,571
Disposal of treasury stock		-28		750	721
Transfer from retained earnings to capital surplus		11,973	-11,973		-
Change in shareholders' equity due to transactions with non-controlling interests		190			190
Net changes of items other than shareholders' equity					-
Total changes of items during the year	-	190	33,906	-1,875	32,220
Balance at March 31, 2019	100,002	109,221	408,008	-44,337	572,894

	Accumulated other comprehensive income (loss)						Stock acquisition rights	Non-controlling interests	Total net assets
	Unrealized holding gain (loss) on securities	Deferred gain (loss) on hedges	Unrealized gain on land revaluation	Translation adjustments	Retirement benefit adjustments	Total accumulated other comprehensive income (loss)			
Balance at April 1, 2018	46,346	-49	321	3,116	-2,643	47,092	271	24,720	612,757
Changes									
Cash dividends									-19,713
Net income attributable to owners of the parent									66,093
Decrease in retained earnings resulting from inclusion of subsidiaries in consolidation									-499
Retirement of treasury stock									-
Purchase of treasury stock									-14,571
Disposal of treasury stock									721
Transfer from retained earnings to capital surplus									-
Change in shareholders' equity due to transactions with non-controlling interests									190
Net changes of items other than shareholders' equity	-9,518	16	-	-993	-2,368	-12,862	-114	744	-12,232
Total changes of items during the year	-9,518	16	-	-993	-2,368	-12,862	-114	744	19,988
Balance at March 31, 2019	36,828	-32	321	2,123	-5,011	34,229	156	25,465	632,746

(4) Consolidated Statements of Cash Flows

	(Millions of Yen)	
	Fiscal Year 2017 (From April 1, 2017 to March 31, 2018)	Fiscal Year 2018 (From April 1, 2018 to March 31, 2019)
Operating activities:		
Income before income taxes	94,342	93,908
Depreciation and amortization	36,016	38,789
Amortization of goodwill	2,416	2,848
Loss on impairment of fixed assets and goodwill	701	1,274
Loss on disposal of property, plant and equipment	1,118	1,323
Loss (gain) on sales of property, plant and equipment, net	-2,232	50
Decrease in liability for retirement benefits	-997	-1,942
Gain on sales of investments in securities	-	-3,411
Interest and dividends income	-4,916	-5,517
Interest expenses	947	892
Equity in earnings of affiliates	-2,508	-2,450
Increase in notes and accounts receivable	-5,506	-2,752
Increase in inventories	-11,787	-21,288
Decrease (increase) in notes and accounts payable	1,350	-2,360
Increase (decrease) in advances received	-2,873	4,271
Decrease in deposits	-674	-3,475
Other	-2,238	1,549
Subtotal	103,157	101,709
Interest and dividends received	5,603	6,308
Interest paid	-966	-879
Income taxes paid	-25,521	-21,925
Net cash provided by operating activities	82,272	85,213
Investing activities:		
Purchases of property, plant and equipment	-45,526	-60,082
Proceeds from sales of property, plant and equipment	4,005	712
Payments into time deposits	-646	-1,239
Proceeds from withdrawal of time deposits	19,920	1,456
Purchases of investments in securities	-7,470	-2,920
Proceeds from sales or redemption of investments in securities	1,510	5,745
Acquisition of investments in subsidiaries resulting in change in scope of consolidation	-22,137	-
Acquisition of investments in subsidiaries	-5,006	-1,908
Purchases of intangible assets	-4,211	-6,111
Decrease (increase) in short-term loans receivable	-2,158	3,545
Other	837	-1,752
Net cash used in investing activities	-60,881	-62,553
Financing activities:		
Decrease in short-term debt, net	-2,828	-1,310
Repayments of lease obligations	-3,774	-3,858
Increase in commercial paper	7,000	10,000
Proceeds from long-term debt	2,003	2,426
Repayment of long-term debt	-3,784	-3,812
Redemption of bonds	-16	-16
Cash dividends paid	-18,134	-19,706
Cash dividends paid to non-controlling interests	-930	-909
Purchases of treasury stock	-16,006	-14,571
Other	491	220
Net cash used in financing activities	-35,981	-31,539
Effect of exchange rate change on cash and cash equivalents	814	365
Net decrease in cash and cash equivalents	-13,776	-8,514
Cash and cash equivalents at beginning of year	89,856	76,723
Increase in cash and cash equivalents from newly consolidated subsidiaries	644	403
Cash and cash equivalents at end of year	76,723	68,613

(5) Items Concerning the Information in the quarterly Consolidated Financial Statements (Notes)

(Notes regarding the premise of a going concern)

No significant changes during the term under review.

Notes to the Consolidated Financial Statements

1) Notes to the Consolidated Statement of Income

I. Fiscal year 2017 (April 1, 2017 to March 31, 2018)

a. Loss on impairment of fixed assets and goodwill

The Group reported a loss on impairment of fixed assets and goodwill in the current consolidated fiscal year associated with the following assets.

Item	Type	Location
Business assets	Property, plant and equipment	United States of America

The Group combines assets based on the minimum unit generating cash flows in a manner generally independent of cash flows provided by other assets or asset groups. (Idle assets are treated as individual properties.)

Meanwhile, the Group deemed that the future use of certain machinery and equipment could not be reasonably expected due to restricting of the production system in the functions resins business. As a result, the book value of this machinery and equipment was lowered to the recoverable amount (¥208 million) and recorded as an impairment loss. While the recoverable value was measured at value in use, the Group recorded a loss on impairment in the full amount since future cash flows from these properties were no longer probable.

II. Fiscal year 2018 (April 1, 2018 to March 31, 2019)

a. Loss on impairment of fixed assets and goodwill

The Group reported a loss on impairment of fixed assets in the current consolidated fiscal year associated with the following assets.

Item	Type	Location
Business assets	Property, plant and equipment	Nara City, Japan

The Group combines assets based on the minimum unit generating cash flows in a manner generally independent of cash flows provided by other assets or asset groups. (Idle assets are treated as individual properties.)

Meanwhile, the Group deemed that the future use of certain buildings & structures could not be reasonably expected due to restricting of the production system in the injection molding business. As a result, the book value of this buildings & structures was lowered to the recoverable amount (¥806 million) and recorded as an impairment loss. While the recoverable value was measured at value in use, the Group recorded a loss on impairment in the full amount since future cash flows from these properties were no longer probable.

Segment Information

I. Segment Information

a) Overview of the Reportable Segments

The reportable segments of the Companies are determined on the basis that separate financial information of such segments is available and examined periodically by the Board of Directors of the Company to make decisions regarding the allocation of management resources and assess the business performances of such segments. The Companies have divided the business operations into the three segments of Housing, Urban Infrastructure and Environmental Products (UIEP), and High Performance Plastics (HPP) based on manufacturing methods, products, sales channels, and other business similarities. Each business segment formulates comprehensive strategies and develops business activities for its products in Japan and overseas.

The Housing business comprises manufacturing, construction, sales, refurbishing, and other operations related to unit housing, real estate, and residential service business.

The UIEP business comprises manufacturing, sales, and construction operations related to PVC pipes and joints, polyethylene pipes and joints, pipe and drain renewal materials and construction methods, reinforced plastic pipe, construction materials, and FFU.

The HPP business comprises manufacturing and sales of interlayer films for laminated glass, polyolefin foam, tape, LCD fine particles and photosensitive materials, functional resin for infrastructure, diagnostic drugs and other products.

b) Calculation methods used for sales, income, assets and the other items on each reportable segment

The accounting methods for the reportable segments are presented principally in accordance with “Important fundamental matters for preparing consolidated financial statements”

The amounts of segment income (loss) are calculated based on the same method as the calculation of operating income in the consolidated statement of income for the years ended March 31, 2019. The figures of intersegment sales and transfers are presented based on the current market price at the time of these transactions.

c) Information as to sales, income (loss), assets and other items on each reportable segment

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

(Millions of yen)

	Reportable Segment				Other (Note)	Consolidated
	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Total		
Sales:						
(1) Sales to third parties	497,320	225,753	378,676	1,101,750	5,679	1,107,429
(2) Intersegment sales or transfers	462	13,487	7,478	21,427	182	21,610
Net sales	497,782	239,241	386,154	1,123,178	5,861	1,129,039
Segment income (loss)	37,935	14,791	57,821	110,547	-9,764	100,783
Segment Assets	283,296	207,139	447,487	937,923	14,427	952,350
Other items:						
Depreciation and amortization	9,296	6,399	18,019	33,714	1,286	35,001
Investment in affiliates accounted for by the equity	8,595	-	2,630	11,225	-	11,225
Increase in property, plant and equipment, and intangible assets	14,392	9,786	25,715	49,894	2,540	52,434

Note: Other represents segments other than the reportable segments, which includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the Company's reportable segments.

Fiscal 2018 (April 1, 2018 to March 31, 2019)

(Millions of yen)

	Reporting Segment				Other (Note)	Consolidated
	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Total		
Sales:						
(1) Sales to third parties	506,614	226,112	404,134	1,136,861	5,851	1,142,713
(2) Intersegment sales or transfers	114	13,080	7,876	21,072	243	21,316
Net sales	506,729	239,193	412,011	1,157,934	6,095	1,164,029
Segment income (loss)	39,002	15,007	54,478	108,489	-11,099	97,389
Segment Assets	315,154	216,653	460,407	992,215	16,758	1,008,973
Other items:						
Depreciation and amortization	9,351	6,983	19,203	35,539	2,271	37,811
Investment in affiliates accounted for by the equity	8,848	-	2,684	11,532	-	11,532
Increase in property, plant and equipment, and intangible assets	17,759	13,870	37,280	68,910	3,718	72,629

Note: Other represents segments other than the reportable segments, which includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the Company's reportable segments.

d) Information on the difference between the total amount of the reportable segments in the above tables and the corresponding amount reported in the consolidated financial statements

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

Net Sales	(Millions of Yen)
Total of reportable segments	1,123,178
Other net Sales	5,861
Eliminations	-21,610
Net Sales	1,107,429

Income	(Millions of Yen)
Total of reportable segments	110,547
Other loss	-9,764
Eliminations	-151
Corporate expenses (Note)	-1,400
Operating Income	99,231

Note: Corporate expenses are mainly general administrative expenses not attributable to each reportable segment.

Assets	(Millions of Yen)
Total of reportable segments	937,923
Assets classified as "other"	14,427
Eliminations	-306,451
Corporate assets (Note)	348,238
Total Assets	994,137

Note: Corporate assets are assets not attributable to the reportable segments. The main items were cash and deposits, long-term investments (investments in securities), assets related to administrative operations and deferred tax assets, etc. of the Company.

(Millions of Yen)

Other item	Reporting Segment	Others	Adjusted amount (Note)	Consolidated
Depreciation and amortization	33,714	1,286	1,015	36,016
Investments in affiliates accounted for by the equity method	11,225	-	32,185	43,410
Increase in property, plant and equipment, and intangible assets	49,894	2,540	1,084	53,518

Note: Adjustment represents the amounts of investments in affiliates accounted for by the equity method, which are not attributable to the reportable segments.

Fiscal 2018 (April 1, 2018 to March 31, 2019)

Net Sales	(Millions of Yen)
Total of reportable segments	1,157,934
Other net Sales	6,095
Eliminations	-21,316
Net Sales	1,142,713

Income	(Millions of Yen)
Total of reportable segments	108,489
Other net Sales	-11,099
Eliminations	-134
Corporate expenses (Note)	-1,568
Operating Income	95,686

Note: Corporate expenses are mainly general administrative expenses not attributable to each reportable segment

Assets	(Millions of Yen)
Total of reportable segments	992,215
Assets classified as "Other"	16,758
Eliminations	-337,151
Corporate assets	351,883
Total Assets	1,023,706

Note: Corporate assets are assets not attributable to the reportable segments. The main items were cash and deposits, long-term investments (investments in securities), assets related to administrative operations and deferred tax assets, etc. of the Company.

(Millions of Yen)

Other item	Reporting Segment	Others	Adjusted amount (Note)	Consolidated
Depreciation and amortization	35,539	2,271	978	38,789
Investments in affiliates accounted for by the equity method	11,532	-	32,996	44,529
Increase in property, plant and equipment, and intangible assets	68,910	3,718	966	73,595

Note: Adjustment represents the amounts of investments in affiliates accounted for by the equity method, which are not attributable to the reportable segments.

II. Related information

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

a. Product and service information

This information is presented in the segment data and is therefore omitted here.

b. Geographical information

1.Net Sales

(Millions of Yen)

	Japan	America	Europe	Asia	Others	Total
Net Sales	832,441	77,535	60,582	124,393	12,475	1,107,429

Note 1: Net sales are classified by country or region based on client location

2.Property, plant and equipment, net

(Millions of Yen)

	Japan	America	Europe	Asia	Others	Total
Property, plant and equipment, net	203,098	18,879	18,825	32,116	6,818	279,738

c. Loss on impairment of fixed assets and goodwill

(Millions of Yen)

	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Other	Eliminations or Unallocatable Accounts	Total
Loss on impairment of fixed assets and goodwill	67	330	303	-	-	701

d. Amortization and balance of goodwill

(Millions of Yen)

	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Other	Eliminations or Unallocatable Accounts	Total
Amortization of goodwill	127	215	2,043	29	-	2,416
Balance at March 31, 2018	2,160	270	15,117	92	-	17,640

Fiscal 2018 (April 1, 2018 to March 31, 2019)

a. Product and service information

This information is presented in the segment data and is therefore omitted here.

b. Geographical information

1.Net Sales

(Millions of Yen)

	Japan	America	Europe	Asia	Others	Total
Net Sales	852,543	82,898	63,044	129,873	14,352	1,142,713

Note 1: Net sales are classified by country or region based on client location

2.Property, plant and equipment, net

(Millions of Yen)

	Japan	America	Europe	Asia	Others	Total
Property, plant and equipment, net	219,367	21,598	29,797	32,182	6,509	309,455

c. Loss on impairment of fixed assets and goodwill

(Millions of Yen)

	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Other	Eliminations or Unallocatable Accounts	Total
Loss on impairment of fixed assets and goodwill	-	19	257	-	997	1,274

d. Amortization and balance of goodwill

(Millions of Yen)

	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Other	Eliminations or Unallocatable Accounts	Total
Amortization of goodwill	127	216	2,474	29	-	2,848
Balance at March 31, 2019	2,033	53	14,802	63	-	16,953

Per share data

(Yen)

	FY2017	FY2018
Net assets per share	1,245.91	1,307.75
Net income per share	133.80	141.74
Net income per share (diluted)	133.58	141.64

Note 1. Computation of net income per share and net income per share (diluted) is based on the following.

	FY2017	FY2018
Net income per share		
Net income amount attributable to owners of the parent (Millions of yen)	63,459	66,093
Amount not belonging to the general shareholders (Millions of yen)	-	-
Net income amount attributable to parent company shareholders of common stock (Millions of yen)	63,459	66,093
Average number of shares outstanding during the current term (Thousands)	474,280	466,299
Net income per share (diluted)		
Increase in common shares (Thousands)	794	321
(Number with stock acquisition rights (Thousands))	794	321
Summary of potentially dilutive shares not included in the calculation of net income per share (diluted), due to not having dilutive effect	Stock acquisition rights	Stock acquisition rights
	-	-
	Number of stock acquisition rights	Number of stock acquisition rights
	-	-

Note 2. Computation of net income per share is based on the following.

	FY2017	FY2018
Total net assets (Millions of yen)	612,757	632,746
Deduction from total assets:	24,991	25,622
Stock acquisition rights (Millions of yen)	(271)	(156)
Non-controlling interests (Millions of yen)	(24,720)	(25,465)
Total net assets attributable to common shareholders	587,766	607,123
Number of shares of common stock used in the calculation of net assets per share (Thousands)	471,756	464,251

Note 3. The Company's own shares held in the BIP trust and the ESOP trust recorded as treasury stock under shareholder's equity are included in treasury stock to be deducted from the weighted-average number of shares of common stock during the year in computing net income attributable to owners of the parent per share and from the number of shares of common stock at year-end in computing net assets per share.

The number s of shares of treasury stock deducted from the weighted-average number of share in computing net income attributable to owners of the parent per share were 553 thousand and 675 thousand shares for the years ended March 31, 2019 and 2018, respectively, and the numbers of shares of treasury stock deducted from the number of shares outstanding at year-end in computing net assets per share were 516 thousand and 646 thousand shares as of March 31, 2019 and 2018 respectively.

Significant subsequent events

No significant subsequent events.