



Consolidated Financial Results for Fiscal Year 2017

(Fiscal Year 2017: Year ended March 31, 2017)

May 11, 2017

Company Name	NORITAKE CO., LIMITED
Stock Exchange Listings	Tokyo, Nagoya
Code Number	5331
Location of the Head Office	Nagoya, Japan
URL	http://www.noritake.co.jp/eng/
Representative	Tadashi Ogura, President
Contact Person	Yoshimasa Nakamura, General Manager of Finance and Accounting Dept. (Tel: +81-52-561-7116)
Date of Payment of Year-end Dividend	June 9, 2017

(Millions of Yen: Amounts less than 1 million yen have been omitted)

1. Consolidated Financial Results for Fiscal Year 2017 (April 1, 2016 through March 31, 2017)

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2017	108,808	(0.8%)	3,119	(9.5%)	4,861	1.7%
FY 2016	109,631	10.7%	3,448	57.4%	4,780	41.0%

	Profit Attributable to Owners of Parent		Basic Earnings per Share	Diluted Earnings per Share	Return on Average Shareholders' Equity	Ratio of Ordinary Profit to Average Assets	Ratio of Operating Profit to Net Sales
	Millions of Yen	Change	Yen	Yen	%	%	%
FY 2017	4,107	(6.9%)	286.12	—	5.1	3.5	2.9
FY 2016	4,412	114.3%	307.32	—	5.7	3.4	3.1

(Reference) Share of profit of entities accounted for using equity method: FY2017 751 million yen
FY2016 491 million yen

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the basic earnings per share are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

(2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
FY 2017	142,362	87,125	59.0	5,846.51
FY 2016	135,931	79,765	56.5	5,345.27

(Reference) Shareholders' Equity: FY2017 83,928 million yen, FY2016 76,749 million yen

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the shareholders' equity per share are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

(3) Cash Flows

	Net Cash provided by (used in) Operating Activities	Net Cash provided by (used in) Investing Activities	Net Cash provided by (used in) Financing Activities	Cash and Cash Equivalents at end of period
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
FY 2017	9,128	(2,546)	(5,974)	8,910
FY 2016	6,114	(4,028)	(3,907)	8,583

2. Dividends *

	Dividends per Share			Total Dividends	Dividend Payout Ratio	Dividend on Equity Ratio
	Interim	Year-end	Total			
	Yen	Yen	Yen	Millions of Yen	%	%
FY 2016	3.00	3.00	6.00	861	19.5	1.1
FY 2017	3.00	30.00	—	877	21.0	1.1
(Forecast) FY 2018	30.00	30.00	60.00	—	6.2	—

*As the Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016, the figures for the dividends per share for FY 2017 are amounts that take into account the reverse stock split, and total annual dividends for FY2017 are shown as “—”, and the annual dividends per share as calculated on a post-consolidation basis are 60 yen for FY 2016 and 60 yen for FY 2017.

3. Forecast for Fiscal Year 2018 *

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2018 Semi-annual	55,000	3.0%	1,400	26.9%	2,200	19.1%
FY 2018	111,000	2.0%	3,200	2.6%	4,800	(1.3%)

	Profit Attributable to Owners of Parent		Basic Earnings per Share
	Millions of Yen	Change	Yen
FY 2018 Semi-annual	1,800	86.4%	125.39
FY 2018	14,000	240.8%	975.25

4. Other Information

- (1) Status changes of specified subsidiaries involving changes in the scope of consolidation : None
- (2) Change in accounting policies, accounting estimates or restatement
 - ① Changes in accordance with revision of accounting standards : None
 - ② Other changes in accounting policies : None
 - ③ Changes in accounting estimates : None
 - ④ Restatement : None

(3) Number of shares outstanding (Common Shares)

	Outstanding shares at end of period (including treasury shares)	Treasury shares at end of period		Average number of shares outstanding over period
FY 2017	15,842,849	1,487,548	FY 2017	14,357,130
FY 2016	15,842,849	1,484,397	FY 2016	14,359,518

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the outstanding shares at end of period, the treasury shares at end of period and the average number of shares outstanding over period are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

【For reference】
1. Non-consolidated Financial Results for Fiscal Year 2017
(April 1, 2016 through March 31, 2017)

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2017	61,037	1.6%	(1,018)	—	1,128	10.4%
FY 2016	60,102	(2.8%)	(915)	—	1,022	(16.3%)

	Profit		Basic Earnings per Share	Diluted Earnings per Share
	Millions of Yen	Change	Yen	Yen
FY 2017	1,773	(7.8%)	123.53	—
FY 2016	1,923	109.2%	133.97	—

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the basic earnings per share are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

(2) Financial Position

	Total Assets	Net Assets	Ratio of Shareholders' Equity	Shareholders' Equity per Share
	Millions of Yen	Millions of Yen	%	Yen
FY 2017	115,125	61,712	53.6	4,298.97
FY 2016	111,178	58,348	52.5	4,063.70

(Reference) Shareholders' Equity: FY2017 61,712 million yen, FY2016 58,348 million yen

*The Company conducted a reverse stock split at a ratio of one share for every ten shares on October 1, 2016. The figures for the shareholders' equity per share are amounts on the assumption that the Company conducts the reverse stock split on the beginning of previous fiscal year.

***Cautionary Statement**

1.This report is not subject to audit procedures.

2.Forecast for FY 2018 is based on management's assumptions and beliefs in the light of information currently available. A number of important risks and uncertainties could cause actual results to differ materially from it, therefore Noritake suggests that you should not place undue reliance on it for investment purpose and so forth.

CONSOLIDATED BALANCE SHEETS

	FY 2016	FY 2017
	As of March 31, 2016	As of March 31, 2017
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and deposits	10,720	11,275
Notes and accounts receivable - trade	28,556	27,286
Electronically recorded monetary claims - operating	2,262	3,067
Merchandise and finished goods	8,427	8,013
Work in process	3,778	4,617
Raw materials and supplies	4,387	4,423
Deferred tax assets	607	609
Other	1,690	1,943
Allowance for doubtful accounts	(30)	(26)
Total current assets	60,402	61,210
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,656	17,240
Machinery, equipment and vehicles, net	9,051	8,590
Land	13,507	13,335
Construction in progress	717	1,719
Other, net	3,013	2,742
Total property, plant and equipment	43,946	43,628
Intangible assets	1,200	1,068
Investments and other assets		
Investment securities	29,184	33,539
Net defined benefit asset	122	1,935
Deferred tax assets	331	265
Other	876	838
Allowance for doubtful accounts	(132)	(122)
Total investments and other assets	30,382	36,455
Total non-current assets	75,529	81,152
Total assets	135,931	142,362

	FY 2016	FY 2017
	As of March 31, 2016	As of March 31, 2017
	Millions of Yen	Millions of Yen
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,307	9,215
Electronically recorded obligations - operating	4,239	5,395
Short-term loans payable	12,730	9,671
Current portion of long-term loans payable	2,011	445
Accrued expenses	1,841	1,929
Income taxes payable	700	804
Provision for bonuses	1,463	1,504
Notes payable - facilities	236	141
Electronically recorded obligations - non-operating	229	1,442
Other	1,893	2,032
Total current liabilities	34,655	32,583
Non-current liabilities		
Long-term loans payable	13,474	13,018
Deferred tax liabilities	4,889	6,641
Provision for directors' retirement benefits	276	206
Provision for directors' stock payments	—	65
Net defined benefit liability	2,064	1,917
Other	806	802
Total non-current liabilities	21,511	22,652
Total liabilities	56,166	55,236
Net assets		
Shareholders' equity		
Capital stock	15,632	15,632
Capital surplus	18,783	18,783
Retained earnings	39,286	42,417
Treasury shares	(3,991)	(3,891)
Total shareholders' equity	69,711	72,941
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,106	12,982
Foreign currency translation adjustment	(1,660)	(2,590)
Remeasurements of defined benefit plans	(1,407)	594
Total accumulated other comprehensive income	7,038	10,986
Non-controlling interests	3,015	3,197
Total net assets	79,765	87,125
Total liabilities and net assets	135,931	142,362

CONSOLIDATED STATEMENTS OF INCOME

	FY 2016 (April 1, 2015 through March 31, 2016) Millions of Yen	FY 2017 (April 1, 2016 through March 31, 2017) Millions of Yen
Net sales	109,631	108,808
Cost of sales	80,385	79,537
Gross profit	29,245	29,271
Selling, general and administrative expenses		
Selling expenses	17,664	17,600
General and administrative expenses	8,133	8,550
Total selling, general and administrative expenses	25,797	26,151
Operating profit	3,448	3,119
Non-operating income		
Interest income	67	93
Dividend income	573	593
Rent income	342	420
Foreign exchange gains	39	30
Share of profit of entities accounted for using equity method	491	751
Other	185	169
Total non-operating income	1,699	2,058
Non-operating expenses		
Interest expenses	145	75
Rent expenses on non-current assets	151	180
Other	71	59
Total non-operating expenses	368	316
Ordinary profit	4,780	4,861
Extraordinary income		
Gain on sales of non-current assets	1,470	16
Gain on sales of investment securities	22	765
Total extraordinary income	1,493	782
Extraordinary losses		
Loss on disposal of non-current assets	233	297
Impairment loss	356	—
Loss on valuation of investment securities	0	1
Loss on liquidation of subsidiaries and associates	—	67
Other	—	13
Total extraordinary losses	589	380
Profit before income taxes	5,684	5,263
Income taxes - current	1,393	1,162
Income taxes - deferred	(403)	(301)
Total income taxes	989	861
Profit	4,694	4,402
Profit attributable to non-controlling interests	281	294
Profit attributable to owners of parent	4,412	4,107

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	FY 2016 (April 1, 2015 through March 31, 2016) Millions of Yen	FY 2017 (April 1, 2016 through March 31, 2017) Millions of Yen
Profit	4,694	4,402
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,421)	2,889
Foreign currency translation adjustment	(1,033)	(1,002)
Remeasurements of defined benefit plans, net of tax	(1,382)	2,008
Share of other comprehensive income of entities accounted for using equity method	(25)	(5)
Total other comprehensive income	(5,863)	3,889
Comprehensive income	(1,169)	8,292
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(1,257)	8,055
Comprehensive income attributable to non-controlling interests	88	236

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

FY 2016 (April 1, 2015 through March 31, 2016)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	15,632	18,832	35,735	(3,985)	66,215
Changes of items during period					
Dividends of surplus			(861)		(861)
Profit attributable to owners of parent			4,412		4,412
Purchase of treasury shares				(6)	(6)
Purchase of shares of consolidated subsidiaries		(30)			(30)
Sales of shares of consolidated subsidiaries		(18)			(18)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(49)	3,551	(6)	3,495
Balance at end of current period	15,632	18,783	39,286	(3,991)	69,711

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	13,516	(759)	(47)	12,709	3,892	82,817
Changes of items during period						
Dividends of surplus						(861)
Profit attributable to owners of parent						4,412
Purchase of treasury shares						(6)
Purchase of shares of consolidated subsidiaries						(30)
Sales of shares of consolidated subsidiaries						(18)
Net changes of items other than shareholders' equity	(3,410)	(900)	(1,359)	(5,670)	(876)	(6,547)
Total changes of items during period	(3,410)	(900)	(1,359)	(5,670)	(876)	(3,051)
Balance at end of current period	10,106	(1,660)	(1,407)	7,038	3,015	79,765

FY 2017 (April 1, 2016 through March 31, 2017)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	15,632	18,783	39,286	(3,991)	69,711
Changes of items during period					
Dividends of surplus			(869)		(869)
Profit attributable to owners of parent			4,107		4,107
Disposal of treasury shares			(107)	707	599
Purchase of treasury shares				(607)	(607)
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	3,130	99	3,230
Balance at end of current period	15,632	18,783	42,417	(3,891)	72,941

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	10,106	(1,660)	(1,407)	7,038	3,015	79,765
Changes of items during period						
Dividends of surplus						(869)
Profit attributable to owners of parent						4,107
Disposal of treasury shares						599
Purchase of treasury shares						(607)
Net changes of items other than shareholders' equity	2,876	(930)	2,002	3,948	181	4,129
Total changes of items during period	2,876	(930)	2,002	3,948	181	7,360
Balance at end of current period	12,982	(2,590)	594	10,986	3,197	87,125

CONSOLIDATED STATEMENTS OF CASH FLOWS

	FY 2016 (April 1, 2015 through March 31, 2016) Millions of Yen	FY 2017 (April 1, 2016 through March 31, 2017) Millions of Yen
Cash flows from operating activities		
Profit before income taxes	5,684	5,263
Depreciation	4,147	4,026
Impairment loss	356	—
Increase (decrease) in allowance for doubtful accounts	20	(12)
Increase (decrease) in net defined benefit liability and asset	396	944
Increase (decrease) in provision for directors' retirement benefits	(556)	(69)
Increase (decrease) in provision for directors' stock payments	—	65
Interest and dividend income	(640)	(686)
Interest expenses	145	75
Share of (profit) loss of entities accounted for using equity method	(491)	(751)
Loss (gain) on sales of short-term and long-term investment securities	(22)	(752)
Loss (gain) on valuation of short-term and long-term investment securities	0	1
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	(1,237)	281
Decrease (increase) in notes and accounts receivable - trade	(1,720)	326
Decrease (increase) in inventories	209	(692)
Increase (decrease) in notes and accounts payable - trade	153	1,117
Other, net	214	261
Subtotal	6,660	9,399
Interest and dividend income received	813	892
Interest expenses paid	(169)	(75)
Income taxes paid	(1,190)	(1,087)
Net cash provided by (used in) operating activities	6,114	9,128
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(4,714)	(3,382)
Proceeds from sales of property, plant and equipment and intangible assets	1,547	132
Purchase of investment securities	(28)	(19)
Proceeds from sales of investment securities	27	1,107
Payments of loans receivable	(23)	(22)
Collection of loans receivable	86	84
Payments into time deposits	(2,148)	(2,155)
Proceeds from withdrawal of time deposits	1,930	1,855
Other, net	(706)	(145)
Net cash provided by (used in) investing activities	(4,028)	(2,546)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	9,382	(3,047)
Proceeds from long-term loans payable	250	—
Repayments of long-term loans payable	(1,662)	(1,994)
Redemption of bonds	(10,000)	—
Proceeds from sales of treasury shares	—	599
Purchase of treasury shares	(6)	(607)
Cash dividends paid	(861)	(869)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(1,344)	—
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	334	—
Other, net	—	(54)
Net cash provided by (used in) financing activities	(3,907)	(5,974)
Effect of exchange rate change on cash and cash equivalents	(179)	(280)
Net increase (decrease) in cash and cash equivalents	(2,002)	326
Cash and cash equivalents at beginning of period	10,586	8,583
Cash and cash equivalents at end of period	8,583	8,910

SEGMENT INFORMATION

FY 2016 (April 1, 2015 through March 31, 2016) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total	Adjustments	Consolidated
Net sales:							
External customers	57,193	28,846	13,490	10,100	109,631	—	109,631
Segment profit (loss)	1,717	1,606	473	(348)	3,448	—	3,448
Segment assets	50,425	29,916	8,566	8,588	97,496	38,435	135,931
Other items:							
Intersegment sales and transfers	17	65	146	242	472	(472)	—
Depreciation	2,572	962	236	375	4,147	—	4,147
Investments in equity-method associates	298	2,713	—	120	3,131	—	3,131
Increases in tangible and intangible fixed assets	1,458	781	87	366	2,693	1,031	3,724

FY 2017 (April 1, 2016 through March 31, 2017) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total	Adjustments	Consolidated
Net sales:							
External customers	57,015	27,976	14,606	9,211	108,808	—	108,808
Segment profit (loss)	1,025	1,884	992	(783)	3,119	—	3,119
Segment assets	49,463	30,237	7,780	8,105	95,588	46,773	142,362
Other items:							
Intersegment sales and transfers	18	63	174	238	495	(495)	—
Depreciation	2,486	915	244	379	4,026	—	4,026
Investments in equity-method associates	325	3,223	—	123	3,671	—	3,671
Increases in tangible and intangible fixed assets	1,564	640	184	531	2,921	1,557	4,478

Notes: (1) Adjustments column in "Segment assets" denotes unallocated general corporate items which were not assigned to specific segments such as cash, short-term and long-term investments in securities and general managed property.

(2) Adjustments column in "Other items: Intersegment sales and transfers" denotes eliminations of intersegment transactions.

(3) Adjustments column in "Other items: Increases in tangible and intangible fixed assets" denotes capital expenditures of administrative department which were not assigned to specific segments.