



Consolidated Financial Results for Fiscal Year 2018

(Fiscal Year 2018: Year ended March 31, 2018)

May 10, 2018

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 8, 2018

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

1. Consolidated Financial Results for Fiscal Year 2018 (April 1, 2017 through March 31, 2018)

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2018	117,928	8.4%	5,097	63.4%	6,992	43.8%
FY 2017	108,808	(0.8%)	3,119	(9.5%)	4,861	1.7%

	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 2018	13,432	227.0%	935.57	—	14.6	4.7	4.3
FY 2017	4,107	(6.9%)	286.12	—	5.1	3.5	2.9

(Reference) Share of profit of entities accounted for using equity method: FY2018 810 million yen
FY2017 751 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 2018	156,459	103,026	63.7	6,941.38
FY 2017	142,362	87,125	59.0	5,846.51

(Reference) Shareholders' Equity: FY2018 99,608 million yen, FY2017 83,928 million yen

(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 2018	9,684	8,468	(11,056)	16,087
FY 2017	9,128	(2,546)	(5,974)	8,910

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 2017	3.00	30.00	—	877	21.0	1.1
FY 2018	30.00	40.00	70.00	1,022	7.5	1.1
(Forecast) FY 2019	40.00	40.00	80.00	—	14.7	—

*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 FY 2017 are shown as “—”, and the annual dividends per share as calculated on a post-consolidation basis are 60 yen for FY 2017.

3. Forecast for Fiscal Year 2019 *

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2019 Semi-annual	60,500	6.3%	2,800	26.0%	3,700	17.1%
FY 2019	121,000	2.6%	5,300	4.0%	7,200	3.0%

	Profit Attributable to Owners of Parent		Basic Earnings per Share
	Millions of Yen	Change	Yen
FY 2019 Semi-annual	3,000	21.0%	209.06
FY 2019	7,800	(41.9%)	543.56

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 2018	14,842,849	492,950	FY 2018	14,357,179
FY 2017	15,842,849	1,487,548	FY 2017	14,357,130

*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 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 2018
(April 1, 2017 through March 31, 2018)**

(1) Operating Results

	Net Sales		Operating Profit		Ordinary Profit	
	Millions of Yen	Change	Millions of Yen	Change	Millions of Yen	Change
FY 2018	66,240	8.5%	504	—	2,975	163.6%
FY 2017	61,037	1.6%	(1,018)	—	1,128	10.4%

	Profit		Basic Earnings per Share	Diluted Earnings per Share
	Millions of Yen	Change	Yen	Yen
FY 2018	10,225	476.5%	712.20	—
FY 2017	1,773	(7.8%)	123.53	—

*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 2018	124,421	72,949	58.6	5,083.59
FY 2017	115,125	61,712	53.6	4,298.97

(Reference) Shareholders' Equity: FY2018 72,949 million yen, FY2017 61,712 million yen

*** Cautionary Statement**

1.This report is not subject to audit procedures by certified public accountants or auditing firms.

2.Forecast for FY 2019 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 2017	FY 2018
	As of March 31, 2017	As of March 31, 2018
	Millions of Yen	Millions of Yen
Assets		
Current assets		
Cash and deposits	11,275	18,485
Notes and accounts receivable - trade	27,286	30,382
Electronically recorded monetary claims - operating	3,067	4,377
Merchandise and finished goods	8,013	8,542
Work in process	4,617	5,109
Raw materials and supplies	4,423	4,712
Deferred tax assets	609	557
Other	1,943	1,395
Allowance for doubtful accounts	(26)	(18)
Total current assets	61,210	73,545
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,240	16,777
Machinery, equipment and vehicles, net	8,590	7,619
Land	13,335	12,782
Construction in progress	1,719	1,521
Other, net	2,742	2,469
Total property, plant and equipment	43,628	41,170
Intangible assets	1,068	1,105
Investments and other assets		
Investment securities	33,539	36,974
Net defined benefit asset	1,935	2,798
Deferred tax assets	265	270
Other	838	718
Allowance for doubtful accounts	(122)	(123)
Total investments and other assets	36,455	40,638
Total non-current assets	81,152	82,914
Total assets	142,362	156,459

	FY 2017	FY 2018
	As of March 31, 2017	As of March 31, 2018
	Millions of Yen	Millions of Yen
Liabilities		
Current liabilities		
Notes and accounts payable - trade	9,215	11,775
Electronically recorded obligations - operating	5,395	7,622
Short-term loans payable	9,671	3,597
Current portion of long-term loans payable	445	9,196
Accrued expenses	1,929	3,145
Income taxes payable	804	2,597
Provision for bonuses	1,504	1,540
Notes payable - facilities	141	390
Electronically recorded obligations - non-operating	1,442	340
Other	2,032	2,635
Total current liabilities	32,583	42,842
Non-current liabilities		
Long-term loans payable	13,018	320
Deferred tax liabilities	6,641	7,280
Provision for directors' retirement benefits	206	171
Provision for directors' stock payments	65	201
Net defined benefit liability	1,917	1,835
Other	802	782
Total non-current liabilities	22,652	10,590
Total liabilities	55,236	53,433
Net assets		
Shareholders' equity		
Capital stock	15,632	15,632
Capital surplus	18,783	18,783
Retained earnings	42,417	52,261
Treasury shares	(3,891)	(1,228)
Total shareholders' equity	72,941	85,448
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,982	15,012
Foreign currency translation adjustment	(2,590)	(2,437)
Remeasurements of defined benefit plans	594	1,584
Total accumulated other comprehensive income	10,986	14,159
Non-controlling interests	3,197	3,418
Total net assets	87,125	103,026
Total liabilities and net assets	142,362	156,459

CONSOLIDATED STATEMENTS OF INCOME

	FY 2017 (April 1, 2016 through March 31, 2017) Millions of Yen	FY 2018 (April 1, 2017 through March 31, 2018) Millions of Yen
Net sales	108,808	117,928
Cost of sales	79,537	86,484
Gross profit	29,271	31,443
Selling, general and administrative expenses		
Selling expenses	17,600	17,541
General and administrative expenses	8,550	8,804
Total selling, general and administrative expenses	26,151	26,346
Operating profit	3,119	5,097
Non-operating income		
Interest income	93	104
Dividend income	593	676
Rent income	420	420
Foreign exchange gains	30	—
Share of profit of entities accounted for using equity method	751	810
Other	169	163
Total non-operating income	2,058	2,174
Non-operating expenses		
Interest expenses	75	59
Foreign exchange losses	—	14
Rent expenses on non-current assets	180	146
Other	59	58
Total non-operating expenses	316	279
Ordinary profit	4,861	6,992
Extraordinary income		
Gain on sales of non-current assets	16	10,624
Gain on sales of investment securities	765	155
Total extraordinary income	782	10,779
Extraordinary losses		
Loss on disposal of non-current assets	297	740
Impairment loss	—	839
Loss on valuation of investment securities	1	—
Loss on liquidation of subsidiaries and associates	67	—
Other	13	3
Total extraordinary losses	380	1,584
Profit before income taxes	5,263	16,187
Income taxes - current	1,162	3,262
Income taxes - deferred	(301)	(680)
Total income taxes	861	2,581
Profit	4,402	13,605
Profit attributable to non-controlling interests	294	173
Profit attributable to owners of parent	4,107	13,432

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	FY 2017 (April 1, 2016 through March 31, 2017)	FY 2018 (April 1, 2017 through March 31, 2018)
	Millions of Yen	Millions of Yen
Profit	4,402	13,605
Other comprehensive income		
Valuation difference on available-for-sale securities	2,889	2,031
Foreign currency translation adjustment	(1,002)	246
Remeasurements of defined benefit plans, net of tax	2,008	995
Share of other comprehensive income of entities accounted for using equity method	(5)	17
Total other comprehensive income	3,889	3,291
Comprehensive income	8,292	16,896
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,055	16,604
Comprehensive income attributable to non-controlling interests	236	292

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

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

FY 2018 (April 1, 2017 through March 31, 2018)

(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	42,417	(3,891)	72,941
Changes of items during period					
Dividends of surplus			(877)		(877)
Profit attributable to owners of parent			13,432		13,432
Disposal of treasury shares		0		12	12
Purchase of treasury shares				(60)	(60)
Retirement of treasury shares		(0)	(2,710)	2,711	—
Net changes of items other than shareholders' equity					
Total changes of items during period	—	—	9,844	2,663	12,507
Balance at end of current period	15,632	18,783	52,261	(1,228)	85,448

	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	12,982	(2,590)	594	10,986	3,197	87,125
Changes of items during period						
Dividends of surplus						(877)
Profit attributable to owners of parent						13,432
Disposal of treasury shares						12
Purchase of treasury shares						(60)
Retirement of treasury shares						—
Net changes of items other than shareholders' equity	2,029	153	989	3,172	221	3,394
Total changes of items during period	2,029	153	989	3,172	221	15,901
Balance at end of current period	15,012	(2,437)	1,584	14,159	3,418	103,026

CONSOLIDATED STATEMENTS OF CASH FLOWS

	FY 2017 (April 1, 2016 through March 31, 2017) Millions of Yen	FY 2018 (April 1, 2017 through March 31, 2018) Millions of Yen
Cash flows from operating activities		
Profit before income taxes	5,263	16,187
Depreciation	4,026	4,030
Impairment loss	—	839
Increase (decrease) in allowance for doubtful accounts	(12)	(6)
Increase (decrease) in net defined benefit liability and asset	944	482
Increase (decrease) in provision for directors' retirement benefits	(69)	(34)
Increase (decrease) in provision for directors' stock payments	65	135
Interest and dividend income	(686)	(780)
Interest expenses	75	59
Share of loss (profit) of entities accounted for using equity method	(751)	(810)
Loss (gain) on sales of short-term and long-term investment securities	(752)	(155)
Loss (gain) on valuation of short-term and long-term investment securities	1	—
Loss (gain) on sales and retirement of property, plant and equipment and intangible assets	281	(9,883)
Decrease (increase) in notes and accounts receivable - trade	326	(4,326)
Decrease (increase) in inventories	(692)	(1,275)
Increase (decrease) in notes and accounts payable - trade	1,117	4,739
Other, net	261	549
Subtotal	9,399	9,751
Interest and dividend income received	892	1,043
Interest expenses paid	(75)	(59)
Income taxes paid	(1,087)	(1,050)
Net cash provided by (used in) operating activities	9,128	9,684
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(3,382)	(4,349)
Proceeds from sales of property, plant and equipment and intangible assets	132	12,921
Purchase of investment securities	(19)	(20)
Proceeds from sales of investment securities	1,107	267
Payments of loans receivable	(22)	(268)
Collection of loans receivable	84	123
Payments into time deposits	(2,155)	(1,808)
Proceeds from withdrawal of time deposits	1,855	1,709
Other, net	(145)	(105)
Net cash provided by (used in) investing activities	(2,546)	8,468
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(3,047)	(6,101)
Repayments of long-term loans payable	(1,994)	(3,946)
Proceeds from sales of treasury shares	599	0
Purchase of treasury shares	(607)	(60)
Cash dividends paid	(869)	(877)
Other, net	(54)	(70)
Net cash provided by (used in) financing activities	(5,974)	(11,056)
Effect of exchange rate change on cash and cash equivalents	(280)	81
Net increase (decrease) in cash and cash equivalents	326	7,177
Cash and cash equivalents at beginning of period	8,583	8,910
Cash and cash equivalents at end of period	8,910	16,087

SEGMENT INFORMATION

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

FY 2018 (April 1, 2017 through March 31, 2018) (Millions of Yen)

	Industrial Products	Ceramics & Materials	Engineering	Tabletop	Total	Adjustments	Consolidated
Net sales:							
External customers	59,404	31,740	18,018	8,765	117,928	—	117,928
Segment profit (loss)	1,739	2,651	1,522	(817)	5,097	—	5,097
Segment assets	48,944	33,883	9,375	7,672	99,875	56,584	156,459
Other items:							
Intersegment sales and transfers	16	63	249	265	594	(594)	—
Depreciation	2,466	930	253	379	4,030	—	4,030
Investments in equity-method associates	338	3,802	—	96	4,237	—	4,237
Increases in tangible and intangible fixed assets	1,372	1,600	88	276	3,338	1,013	4,352

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.