



# Financial Results for FY 2017 (Year Ending March 31, 2017)

May 11, 2017 (Thu.)  
KOITO MANUFACTURING CO., LTD.



## **【Disclaimer with Respect to Forward-looking Statements】**

**This presentation contains forward-looking statements concerning KOITO MANUFACTURING CO., LTD. and its consolidated subsidiaries' future plans, strategies and performance. These forward-looking statements are not historical facts; rather they represent assumptions and beliefs based on economic, financial and competitive data currently available. Furthermore, they are subject to a number of risks and uncertainties including, but not limited to economic conditions, worldwide competition in the automotive industry, market trends, foreign currency exchange rates, tax rules, regulations and other factors.**

**Koito therefore wishes to caution readers that actual results may differ materially from our expectations.**



# I . Financial Results for FY 2017 (Year Ending March 31, 2017)



# I — (1) Consolidated Net Sales (Compared to the previous fiscal year)

(1/9)

(¥ billion)

		FY 2016		FY 2017		Change				Remarks
		(15/4~16/3)	% to total	(16/4~17/3)	% to total		YoY			
<b>KOITO MANUFACTURING (KMC)</b>		<b>270.8</b>	<b>28.0</b>	<b>297.7</b>	<b>29.2</b>	<b>26.9</b>	<b>109.9</b>			▪ Domestic automobile production volume (9.19 million → 9.32 million vehicles 101.5%) ▪ Increase in unit price led by LED adoption
Japan	KOITO Group	138.5		158.2		19.7	114.2			
	KI Group	43.9		41.5		Δ2.3	94.5			▪ Decrease in information board, etc.
	<b>Subtotal</b>	<b>182.4</b>	<b>18.9</b>	<b>199.7</b>	<b>19.6</b>	<b>17.3</b>	<b>109.5</b>	The effect of Forex	without Forex	
Overseas	Americas	169.0		177.9		8.9	105.3	Δ21.6	118.1	▪ Increase at Toyota and Honda
	Europe	35.2		32.0		Δ3.1	91.0	Δ5.6	106.9	▪ Increase at Suzuki
	China	211.5		213.4		1.9	100.9	Δ37.8	118.8	▪ Increase at VW and Nissan
	Asia	84.2		89.0		4.8	105.7	Δ8.9	116.4	▪ Increase at Toyota
	KI Group	13.0		9.3		Δ3.6	71.5	Δ1.6	84.3	▪ Decrease in railroad car equipment
	<b>Subtotal</b>	<b>513.0</b>	<b>53.1</b>	<b>521.8</b>	<b>51.2</b>	<b>8.8</b>	<b>101.7</b>	<b>Δ75.7</b>	<b>116.5</b>	
<b>Total</b>		<b>966.3</b>	<b>100.0</b>	<b>1,019.4</b>	<b>100.0</b>	<b>53.1</b>	<b>105.5</b>			
Elimination		Δ152.8		Δ178.0		Δ25.1				<Forex> FY 2016 FY 2017 US Dollar ¥120.2 ¥108.7 Chinese Yuan ¥18.9 ¥16.1
<b>Consolidated</b>		<b>813.4</b>		<b>841.4</b>		<b>27.9</b>	<b>103.4</b>	<b>Δ75.7</b>	<b>112.8</b>	

**KOTO** I — (2) Consolidated Statements of Income

(2/9)

(¥ billion)

	FY 2016 (Actual)		FY 2017 (Previous forecast)		FY 2017 (Actual)		Change			
	(15/4~16/3)		(16/4~17/3)		(16/4~17/3)		from FY 2016		from Forecast	
Net sales (without Forex)	813.4	100	824.0	100	841.4	100	27.9	103.4	17.4	102.1
							(103.7)	(112.8)	(6.9)	(100.8)
Cost of sales	676.5	83.2			694.0	82.5	17.5			
Gross profit	136.9	16.8			147.3	17.5	10.4	107.6		
Selling, general and administrative expenses	54.7	6.7			54.8	6.5	0.1			
Operating income	82.2	10.1	89.0	10.8	92.5	11.0	10.3	112.5	3.5	104.0
Non-operating income and loss	2.0	0.3			2.8	0.3	0.7			
Recurring profit	84.2	10.4	92.0	11.2	95.3	11.3	11.0	113.1	3.3	103.6
Extraordinary gains and losses	△9.5	—			△3.7	—	5.8			
Income before income taxes	74.7	9.2			91.6	10.9	16.9	122.6		
(Profit or loss attributable to non-controlling interests)	(5.9)	—			(8.7)	—	(2.7)			
Net income	46.3	5.7	55.0	6.7	56.6	6.7	10.3	122.4	1.6	103.1



I – (3) Statements of Income by regions  
before Consolidation Adjustments  
(Compared to the previous fiscal year)

(3/9)

FY 2017 (16/4 ~ 17/3)

(¥ billion)

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidation
		KOITO Group	KI Group	Subtotal				
Net sales	297.7	158.2	41.5	199.7	521.8	1,019.4	△178.0	841.4
Operating income	29.2	8.8	0.3	9.2	48.0	86.4	6.0	92.5
ratio	9.8%	5.6%	0.8%	4.6%	9.2%	8.5%		11.0%

FY 2016 (15/4 ~ 16/3)

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidation
		KOITO Group	KI Group	Subtotal				
Net sales	270.8	138.5	43.9	182.4	513.0	966.3	△152.8	813.4
Operating income	21.5	6.6	0.2	6.8	47.6	76.0	6.2	82.2
ratio	8.0%	4.8%	0.5%	3.8%	9.3%	7.9%		10.1%

Change

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidation
		KOITO Group	KI Group	Subtotal				
Net sales	26.9	19.7	△2.3	17.3	8.8	53.1	△25.1	27.9
YoY	110%	114%	95%	110%	102%	106%		103%
Operating income	7.7	2.2	0.1	2.3	0.4	10.4	△0.1	10.3
YoY	136%	133%	156%	134%	101%	114%		113%

**KOITO** I – (4) Statements of Income by Segments  
before Consolidation Adjustments  
(Compared to the previous fiscal year)

(4/9)

FY 2017 (16/4 ~ 17/3)

(¥ billion)

	Overseas (15 companies)					Total
	Americas	Europe	China	Asia	KI Group	
Net sales	177.9	32.0	213.4	89.0	9.3	521.8
Operating income	20.1	3.8	13.2	8.2	2.4	48.0
ratio	11.3%	12.0%	6.2%	9.3%	26.4%	9.2%

FY 2016 (15/4 ~ 16/3)

	Overseas (15 companies)					Total
	Americas	Europe	China	Asia	KI Group	
Net sales	169.0	35.2	211.5	84.2	13.0	513.0
Operating income	16.7	4.0	14.9	7.9	3.8	47.6
ratio	9.9%	11.5%	7.1%	9.5%	29.8%	9.3%

Change

	Overseas (15 companies)					Total	
	Americas	Europe	China	Asia	KI Group		
Net sales	8.9	△3.1	1.9	4.8	△3.6	8.8	
YoY	105%	91%	101%	106%	72%	102%	
Operating income	3.3	△0.2	△1.6	0.3	△1.4	0.4	
YoY	120%	95%	89%	104%	63%	101%	
Without Forex	Net sales	30.5	2.4	39.7	13.8	△2.0	84.5
	Operating income	6.1	0.3	0.7	1.1	△0.9	7.3

(The effect of Forex: Operating income △6.9)



I — (5) Consolidated Statements of Income  
(Compared to the previous fiscal year)

(5/9)

(¥ billion)

	FY 2016		FY 2017		Change	
	(15/4~16/3)		(16/4~17/3)		YoY	
Net sales	813.4	100	841.4	100	27.9	103.4
(without Forex)			(917.1)		(103.7)	112.8
Cost of sales	676.5	83.2	694.0	82.5	17.5	
Gross profit	136.9	16.8	147.3	17.5	10.4	107.6
Selling, general and administrative expenses	54.7	6.7	54.8	6.5	0.1	
Operating income	82.2	10.1	92.5	11.0	10.3	112.5
Non-operating income and loss	2.0	0.3	2.8	0.3	0.7	
Recurring profit	84.2	10.4	95.3	11.3	11.0	113.1
Extraordinary gains and losses	△9.5	—	△3.7	—	5.8	
Income before income taxes	74.7	9.2	91.6	10.9	16.9	122.6
(Profit or loss attributable to non-controlling interests)	(5.9)	—	(8.7)	—	(2.7)	
Net income	46.3	5.7	56.6	6.7	10.3	122.4

Increase in operating income	10.3
▪ Increase in volume	23.6
▪ Price competition	△1.1
▪ R&D and depreciation (KMC △2.4, Americas △1.0 etc.)	△4.1
▪ Expenses to starting-up Hubei Koito	△1.1
▪ The effect of Forex	△6.9





I — (5) Consolidated Statements of Income  
(Compared to the previous fiscal year)

(6/9)

(¥ billion)

	FY 2016		FY 2017		Change			
	(15/4~16/3)	100	(16/4~17/3)	100	YoY	YoY		
Net sales	813.4	100	841.4	100	27.9	103.4	【Increase in operating income	10.3】
(without Forex)			(917.1)		(103.7)	112.8	Increase or decrease in non-operating income or loss	0.7
Cost of sales	676.5	83.2	694.0	82.5	17.5		▪ Decrease in loss on Forex etc.	
Gross profit	136.9	16.8	147.3	17.5	10.4	107.6	【Increase in recurring profit	11.0】
Selling, general and administrative expenses	54.7	6.7	54.8	6.5	0.1		Increase or decrease in extraordinary gains or loss	5.8
Operating income	82.2	10.1	92.5	11.0	10.3	112.5	▪ Provision for expenses for damage (KIHD in FY 2016)	9.9
Non-operating income and loss	2.0	0.3	2.8	0.3	0.7		▪ Loss related to the Act on Prohibition to Private Monopolization and Maintenance of Fair Trade (KMC in FY 2017)	Δ3.3 and others
Recurring profit	84.2	10.4	95.3	11.3	11.0	113.1	【Increase in net income	10.3】
Extraordinary gains and losses	Δ9.5	—	Δ3.7	—	5.8			
Income before income taxes	74.7	9.2	91.6	10.9	16.9	122.6		
(Profit or loss attributable to non-controlling interests)	(5.9)	—	(8.7)	—	(2.7)			
Net income	46.3	5.7	56.6	6.7	10.3	122.4		

**KOITO** I — (6) Non-consolidated Statements of Income

(7/9)

(¥ billion)

	FY 2016 (Actual)		FY 2017 (Previous forecast)		FY 2017 (Actual)		Change			
	(15/4~16/3)		(16/4~17/3)		(16/4~17/3)		from FY 2016		from Forecast	
Net sales	270.8	100	297.0	100	297.7	100	26.9	109.9	0.7	100.3
Cost of sales	229.9	84.9			247.9	83.3	18.0			
Gross profit	40.9	15.1			49.8	16.7	8.9	121.8		
Selling, general and administrative expenses	19.3	7.2			20.5	6.9	1.1			
Operating income	21.5	8.0	28.0	9.4	29.2	9.8	7.7	135.8	1.2	104.5
Non-operating income and loss	15.4	5.7			16.4	5.5	1.0			
Recurring profit	36.9	13.7	44.0	14.8	45.7	15.4	8.7	123.7	1.7	103.9
Extraordinary gains and losses	△3.1	—			△3.4	—	△0.2			
Income before income taxes	33.7	12.5			42.3	14.2	8.5	125.2		
Net income	21.8	8.0	31.0	10.4	31.1	10.4	9.3	142.7	0.1	100.3



I — (7) Non-consolidated Statements of Income  
(Compared to the previous fiscal year)

(8/9)

(¥ billion)

	FY 2016		FY 2017		Change		
	(15/4~16/3)		(16/4~17/3)		YoY		
							Increase in operating income 7.7
Net sales	270.8	100	297.7	100	26.9	109.9	· Increase in volume 8.6
Cost of sales	229.9	84.9	247.9	83.3	18.0		· Cost down in materials etc. 1.5
Gross profit	40.9	15.1	49.8	16.7	8.9	121.8	· R&D and depreciation $\Delta$ 1.4
Selling, general and administrative expenses	19.3	7.2	20.5	6.9	1.1		· Others $\Delta$ 1.0
Operating income	21.5	8.0	29.2	9.8	7.7	135.8	
Non-operating income and loss	15.4	5.7	16.4	5.5	1.0		
Recurring profit	36.9	13.7	45.7	15.4	8.7	123.7	
Extraordinary gains and losses	$\Delta$ 3.1	—	$\Delta$ 3.4	—	$\Delta$ 0.2		
Income before income taxes	33.7	12.5	42.3	14.2	8.5	125.2	
Net income	21.8	8.0	31.1	10.4	9.3	142.7	

# I — (7) Non-consolidated Statements of Income

(Compared to the previous fiscal year)

(¥ billion)

	FY 2016		FY 2017		Change	
	(15/4~16/3)		(16/4~17/3)		YoY	
Net sales	270.8	100	297.7	100	26.9	109.9
Cost of sales	229.9	84.9	247.9	83.3	18.0	
Gross profit	40.9	15.1	49.8	16.7	8.9	121.8
Selling, general and administrative expenses	19.3	7.2	20.5	6.9	1.1	
Operating income	21.5	8.0	29.2	9.8	7.7	135.8
Non-operating income and loss	15.4	5.7	16.4	5.5	1.0	
Recurring profit	36.9	13.7	45.7	15.4	8.7	123.7
Extraordinary gains and losses	△3.1	—	△3.4	—	△0.2	
Income before income taxes	33.7	12.5	42.3	14.2	8.5	125.2
Net income	21.8	8.0	31.1	10.4	9.3	142.7

【 Increase in operating income 7.7 】
Increase and decrease in non-operating income 1.0
▪ Increase in dividends etc. 1.0
【 Increase in recurring profit 8.7 】
Increase and decrease in extraordinary gains and loss △0.2
▪ Decrease in loss on valuation of stock of IJL 2.5
▪ Loss related to the Act on Prohibition to Private Monopolization and Maintenance of fair trade △2.4
▪ Gain on liquidation of subsidiaries (KENV) and others △0.3
【 Increase in net income 9.3 】



## II . Forecast for FY 2018 (Year ending March 31, 2018)

**KOITO** II — (1) Assumption of  
Global Automobile Production Volume

(million vehicles)

	FY 2016		FY 2017		FY 2018	
		YoY		YoY		YoY
Japan	9.19	96%	9.32	101%	9.22	99%
North America	18.02	103%	18.29	101%	18.35	100%
Europe	16.59	101%	16.98	102%	17.15	101%
China	24.88	104%	28.64	115%	29.00	101%
Thailand	1.89	100%	1.93	102%	1.94	101%
Indonesia	1.04	84%	1.15	111%	1.20	105%
India	4.19	110%	4.52	108%	4.70	104%
Others	10.92	93%	10.45	96%	10.44	100%
<b>Total</b>	<b>86.72</b>	<b>101%</b>	<b>91.28</b>	<b>105%</b>	<b>92.00</b>	<b>101%</b>

## KOITO

### II – (2) Consolidated Net Sales (Compared to the previous fiscal year)

(¥ billion)

	FY 2017 (Actual)		FY 2018 (Forecast)		Change		要 因		
	(16/4~17/3)	% to total	(17/4~18/3)	% to total		YoY			
<b>KOITO MANUFACTURING (KMC)</b>	<b>297.7</b>	<b>29.2</b>	<b>323.0</b>	<b>30.5</b>	<b>25.2</b>	<b>108.5</b>	<ul style="list-style-type: none"> <li>• Increase in unit price led by LED adoption and multi-functionaizing (ADB and others)</li> <li>• Domestic automobile production volume (9.32 million → 9.22 million vehicles 99%)</li> </ul>		
<b>Japan</b>									
KOITO Group	158.2		181.7		23.4	114.8			
KI Group	41.5		41.4		△0.1	99.6			
Subtotal	199.7	19.6	223.1	21.0	23.3	111.7	The effect of Forex	without Forex	
<b>Overseas</b>									
Americas	177.9		177.7		△0.2	99.8	△8.3	104.6	• Increase at Toyota and Honda
Europe	32.0		31.7		△0.3	98.8	△2.9	108.1	• Increase at Nissan and Suzuki
China	213.4		209.3		△4.1	98.1	△7.8	101.7	• Increase at Geely
Asia	89.0		87.8		△1.2	98.6	△5.4	104.7	• Increase at Toyota and Suzuki
KI Group	9.3		8.0		△1.3	85.7	△0.2	88.5	• Decrease in railroad car equipment
Subtotal	521.8	51.2	514.5	48.5	△7.3	98.6	△24.9	103.4	
Subtotal (without the effect of Forex)			(539.4)		(17.5)	(103.4)			
Total	1,019.4	100.0	1,060.6	100.0	41.1	104.0	△24.9	106.5	
Elimination	△178.0		△199.6		△21.5				
Consolidated (without the effect of Forex)	841.4		861.0		19.5	102.3	△24.9	105.3	
			(885.9)		(44.4)	(105.3)			
									<Exchange rate> FY 2017 (Actual) FY 2018 (Forecast) US Dollar ¥108.7 ¥105.0 Chinese Yuan ¥16.1 ¥15.5 <Annual sensitivity per US Dollar/1 Yen> Net sales: ¥5.0 billion Operating income: ¥0.4 billion

**KOITO** II — (3) Consolidated Statements of Income  
(Compared to the previous fiscal year)

(¥ billion)

	FY 2017 (Actual)		FY 2018 (Forecast)		Change		
	(16/4~17/3)	(17/4~18/3)	(17/4~18/3)	(17/4~18/3)			
Net sales (without Forex)	841.4	100.0	861.0	100.0	19.5	102.3	Operating income $\Delta 1.5$
Coast of sales	694.0	82.5	717.1	83.3	23.0		·Increase in volume 11.5
Gross profit	147.3	17.5	143.9	16.7	$\Delta 3.4$	97.6	·Price competition $\Delta 2.3$
Selling, general and administrative expenses	54.8	6.5	52.9	6.1	$\Delta 1.9$		·R&D and depreciation etc. (KMC $\Delta 4.0$ . Americas $\Delta 2.8$ . China $\Delta 0.6$ and others) $\Delta 8.3$
Operating income (without Forex)	92.5	11.0	91.0	10.6	$\Delta 1.5$	98.4	·The effect of Forex $\Delta 2.4$
Non-operating income and loss	2.8	0.3	2.0	0.2	$\Delta 0.8$		【 Decrease in operating income $\Delta 1.5$ 】
Recurring profit	95.3	11.3	93.0	10.8	$\Delta 2.3$	97.5	Non-operating income and loss (Decrease in interest income and others) $\Delta 0.8$
Extraordinary gains and losses	$\Delta 3.7$	—	$\Delta 0.3$	—	3.4		【 Decrease in recurring profit $\Delta 2.3$ 】
Income before income taxes	91.6	10.9	92.7	10.8	1.0	101.2	Extraordinary gains and losses 3.4
Net income	56.6	6.7	57.0	6.6	0.3	100.5	·Loss related to the Act on Prohibition to Private Monopolization and Maintenance of Fair Trade (KMC in FY 2017) 3.3
							【 Increase in net income 0.3】





II — (4) Statements of income by regions  
before Consolidation Adjustments  
(Compared to the previous fiscal year)

(4/9)

FY 2018 (Forecast) (17/4~18/3)

(¥ billion)

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidated
		KOITO Group	KI Group	Subtotal				
Net sales	323.0	181.7	41.4	223.1	514.5	1,060.6	△199.6	861.0
Operating income	31.0	9.6	0.3	9.9	43.3	84.2	6.8	91.0
Ratio	9.6%	5.3%	0.7%	4.4%	8.4%	7.9%	—	10.6%

FY 2017 (Actual) (16/4~17/3)

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidated
		KOITO Group	KI Group	Subtotal				
Net sales	297.7	158.2	41.5	199.7	521.8	1,019.4	△178.0	841.4
Operating income	29.2	8.8	0.3	9.2	48.0	86.4	6.0	92.5
Ratio	9.8%	5.6%	0.8%	4.6%	9.2%	8.5%	—	11.0%

Change

	KMC	Japan (14 companies)			Overseas (15 companies)	Total	Elimination	Consolidated
		KOITO Group	KI Group	Subtotal				
Net sales YoY	25.2 108%	23.4 115%	△0.1 100%	23.3 112%	△7.3 99%	41.1 104%	△21.5 —	19.5 102%
Operating income YoY	1.7 106%	0.7 108%	0.0 96%	0.6 108%	△4.7 90%	△2.2 97%	0.7 —	△1.5 98%

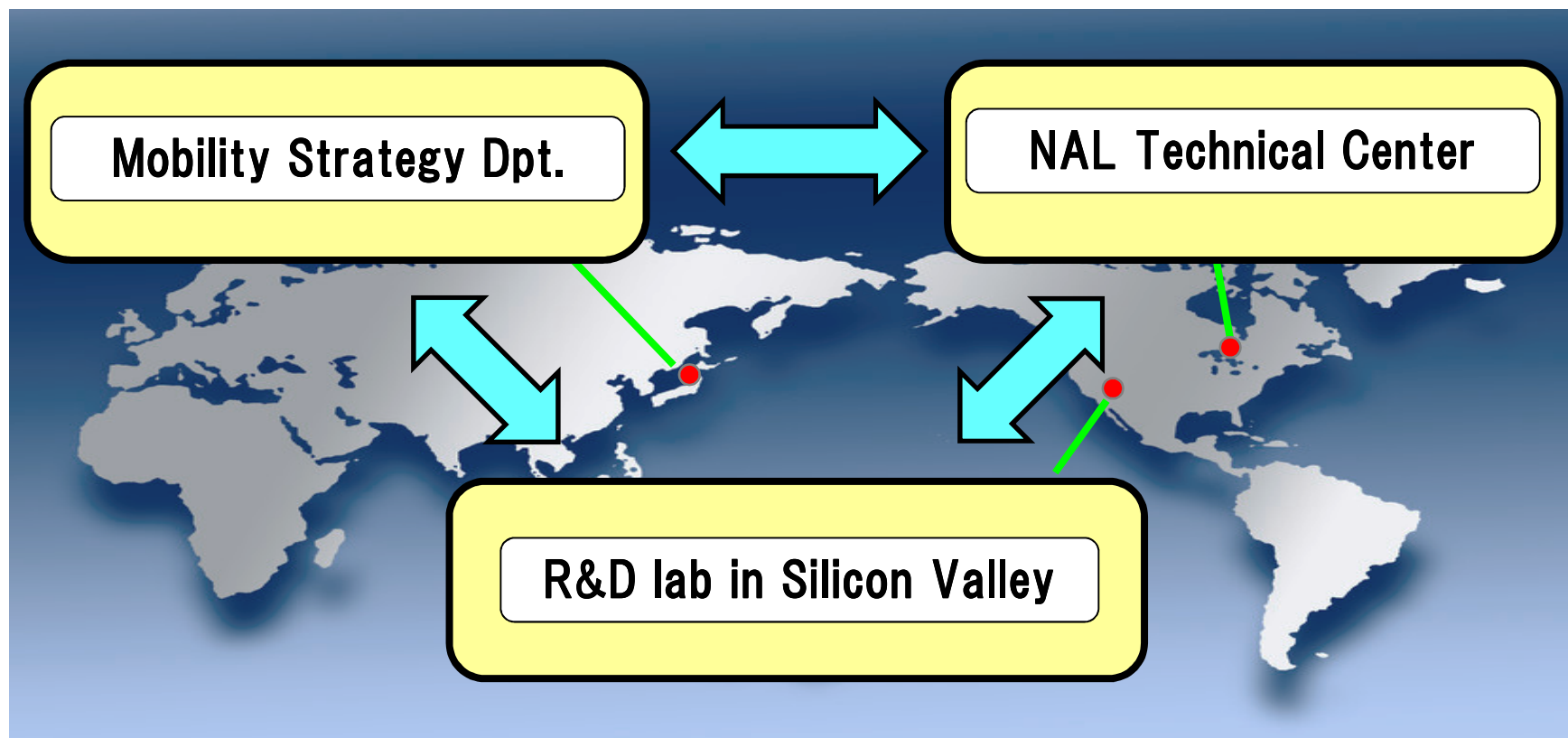
**KOITO** II — (5) Non-consolidated Statements of Income  
(Compared to the previous fiscal year)

(5/9)

(¥ billion)

	FY 2017 (Actual)		FY 2018 (Forecast)		Change			
	(16/4~17/3)		(17/4~18/3)					
							<b>Operating income</b>	1.7
<b>Net sales</b>	297.7	100.0	323.0	100.0	25.2	108.5	▪ Increase in volume	5.3
<b>Cost of sales</b>	247.9	83.3	269.4	83.4	21.4		▪ Cost down in materials	0.4
<b>Gross profit</b>	49.8	16.7	53.6	16.6	3.7	107.5	▪ Reinforcement of R&D etc.	Δ2.6
<b>Selling, general and administrative expenses</b>	20.5	6.9	22.6	7.0	2.0		R&D for autonomous driving technology	Δ1.9
<b>Operating income</b>	29.2	9.8	31.0	9.6	1.7	105.9	Development of new products	Δ0.7
<b>Non-operating income and loss</b>	16.4	5.5	17.0	5.3	0.5		▪ Allowance for labor reformation	Δ1.4
<b>Recurring profit</b>	45.7	15.4	48.0	14.9	2.2	105.0	<b>【Increase in operating income</b>	<b>1.7】</b>
<b>Extraordinary gains and losses</b>	Δ3.4	—	Δ0.3	—	3.1		<b>Non-operating income and loss</b>	
<b>Income before income taxes</b>	42.3	14.2	47.7	14.8	5.3	112.7	(increase in dividends in affiliated companies)	0.5
<b>Net income</b>	31.1	10.4	34.0	10.5	2.8	109.3	<b>【Increase in recurring profit</b>	<b>2.2】</b>
							<b>Extraordinary gains and losses</b>	3.1
							▪ Loss related to the Act on Prohibition to Private Monopolization and Maintenance of Fair Trade in FY 2017	3.3
							<b>【Increase in net income</b>	<b>2.8】</b>

# 【Toward Mobility Changes in the future】



- ① Formulate global mobility strategies
- ② R&D for autonomous driving and next-generation lighting
- ③ Researching cutting-edge technologies, cooperating with universities and start-up companies  
(Next-generation sensors, AI/IoT, and new traffic systems etc.)

II – (6) Statements of Income by Segments  
before Consolidation Adjustments  
(Compared to the previous fiscal year)

(6/9)

FY 2018 (Forecast) (17/4~18/3)

(¥ billion)

	Overseas (15 companies)					
	Americas	Europe	China	Asia	KI Group	Total
Net sales	177.7	31.7	209.3	87.8	8.0	514.5
Operating income	17.7	3.5	12.2	8.2	1.7	43.3
Ratio	10.0%	11.0%	5.8%	9.3%	21.3%	8.4%

FY 2017 (Actual) (16/4~17/3)

	Overseas (15 companies)					
	Americas	Europe	China	Asia	KI Group	Total
Net sales	177.9	32.0	213.4	89.0	9.3	521.8
Operating income	20.1	3.8	13.2	8.2	2.4	48.0
Ratio	11.3%	12.0%	6.2%	9.3%	26.4%	9.2%

Change

	Overseas (15 companies)						
	Americas	Europe	China	Asia	KI Group	Total	
Net sales	△0.2	△0.3	△4.1	△1.2	△1.3	△7.3	
YoY	100%	99%	98%	99%	86%	99%	
Operating income	△2.4	△0.3	△1.0	0.0	△0.7	△4.7	
YoY	88%	91%	92%	99%	69%	90%	
without Forex	Net sales	8.1	2.5	3.6	4.2	△1.0	17.5
	Operating income	△1.3	0.0	△0.6	0.3	△0.7	△2.3



II — (10) Statements of Income in Americas and Europe  
(Compared to the previous fiscal year)

(7/9)

(¥ billion)

		FY 2017 (Actual) (16/4~17/3)	FY 2018 (Forecast) (17/4~18/3)	Change		without Forex		Remarks
A m e r i c a s	Net sales	177.9	177.7	Δ0.2	99.8	8.1	104.6	Operating income Δ1.3
	Operating income	20.1	17.7	Δ2.4	88.0	Δ1.3	93.4	<ul style="list-style-type: none"> <li>▪Increase in volume 1.5</li> <li>▪R&amp;D expenses and others Δ1.7               <ul style="list-style-type: none"> <li>Development of new products Δ1.3</li> <li>R&amp;D for autonomous driving technology Δ0.4</li> </ul> </li> <li>▪Strengthen the structure of Quality Assurance and Purchasing Department etc. Δ0.5</li> <li>▪Expenses to starting-up NAL Brazil Δ0.6</li> </ul>
	Ratio	11.3	10.0					
E u r o p e	Net sales	32.0	31.7	Δ0.3	98.8	2.5	108.1	
	Operating income	3.8	3.5	Δ0.3	91.0	0.0	99.6	Operating income 0.0
	Ratio	12.0	11.0					<ul style="list-style-type: none"> <li>▪Increase in volume 0.3</li> <li>▪Price competition Δ0.3</li> </ul>

**Koito** II — (8) Statements of Income in China and Asia  
(Compared to the previous fiscal year)

(¥ billion)

		FY 2017 (Actual) (16/4~17/3)	FY 2018 (Forecast) (17/4~18/3)	Change		without Forex		Remarks
C h i n a	Net sales	213.4	209.3	Δ4.1	98.1	3.6	101.7	Operating income Δ0.6
	Operating income	13.2	12.2	Δ1.0	91.7	Δ0.6	94.9	<ul style="list-style-type: none"> <li>▪ Increase in volume 3.1</li> <li>▪ Price competition (Shanghai Δ2.3, Guangzhou Δ0.6 and others) Δ3.1</li> </ul>
	Ratio	6.2	5.8					▪ Expenses to starting-up Hubei Koito Δ0.6
A s i a	Net sales	89.0	87.8	Δ1.2	98.6	4.2	104.7	Operating income 0.3
	Operating income	8.2	8.2	0.0	98.8	0.3	104.7	<ul style="list-style-type: none"> <li>▪ Increase in volume 0.2</li> <li>▪ Cost down in materials 0.1</li> </ul>
	Ratio	9.3	9.3					

## KOITO II – (9) Capital Expenditures by Segment

(¥ billion)

		FY 2016 (15/4~ 16/3)	FY 2017 (16/4~ 17/3)	FY 2018 (Forecast)			
				(17/4~ 18/3)	Change from FY 2017		
					Difference	Ratio	Remarks
J a p a n	Equipment	5.8	3.5	3.7	0.2	106	
	Molds	5.3	4.9	3.9	△1.0	80	・Decrease in in-house start-up
	<b>KMC</b>	<b>11.2</b>	<b>8.5</b>	<b>7.6</b>	<b>△0.9</b>	<b>89</b>	
	KOITO KYUSHU	2.5	3.2	3.2	0.0	100	
	KIHD and KOITO ELECTRIC IND.	0.2	0.1	0.4	0.3	400	
	Others	2.3	2.1	2.5	0.4	119	
	<b>Subtotal</b>	<b>16.3</b>	<b>14.0</b>	<b>13.7</b>	<b>△0.3</b>	<b>98</b>	
	Americas	9.0	12.0	8.4	△3.6	70	・NAL △4.0 billion yen (10.1 → 6.1 billion yen)
	Europe	1.0	1.1	1.7	0.6	155	・Brazil +1.1 billion yen (0.9 → 2.0 billion yen)
	China	8.8	7.1	10.0	2.9	141	・Shanghai +2.1 billion yen (2.5 → 4.6 billion yen)
	Asia	6.0	5.8	5.8	0.0	100	
	<b>Subtotal</b>	<b>24.9</b>	<b>26.2</b>	<b>25.9</b>	<b>△0.3</b>	<b>99</b>	
	<b>Total</b>	<b>41.3</b>	<b>40.2</b>	<b>39.6</b>	<b>△0.6</b>	<b>99</b>	

Depreciation 31.6 31.7 32.6 0.9 103

(KMC 9.1 9.7 9.2 △0.5 95 )