

Consolidated Statements of Operations

ONWARD HOLDINGS Co., Ltd. and Consolidated Subsidiaries
Years ended February 28, 2017 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 2. (21))
	2017	2018	2018
Net sales	¥244,901	¥243,075	\$2,263,904
Cost of sales	131,638	129,498	1,206,099
Gross profit	113,263	113,577	1,057,805
Selling, general and administrative expenses	109,059	108,410	1,009,682
Operating profit	4,204	5,167	48,123
Other income (expenses):			
Interest income	47	48	448
Dividend income	289	252	2,351
Land and house rent received	1,121	1,231	11,468
Interest expenses	(400)	(318)	(2,962)
Equity in losses of investees	(316)	(775)	(7,220)
Foreign currency exchange gain (loss)	535	(82)	(766)
Compensation income	—	763	7,104
Rent expenses	(420)	(467)	(4,353)
Gain on sale of investments in securities, net (Note 4)	3,007	1,711	15,933
Gain on sales or disposal of fixed assets, net	6,859	3,645	33,948
Gain on liquidation of subsidiaries and affiliates	—	664	6,183
Impairment loss on fixed assets (Note 6)	(1,659)	(1,202)	(11,198)
Business restructuring expenses (Note 7)	(2,085)	(394)	(3,670)
Loss on liquidation of subsidiaries and affiliates	(458)	(289)	(2,696)
Other, net	256	75	717
Profit before income taxes	10,980	10,029	93,410
Income taxes (Note 12):			
Current	1,534	3,305	30,783
Deferred	4,706	(64)	(594)
Profit	4,740	6,788	63,221
(Profit) loss attributable to non-controlling interests	4	(1,421)	(13,237)
Profit attributable to owners of parent	¥ 4,744	¥ 5,367	\$ 49,984
	Yen		U.S. dollars (Note 2. (21))
Per share (Notes 14, 15 and 17):			
Basic earnings per share	¥31.47	¥36.97	\$0.34
Diluted earnings per share	31.15	36.61	0.34
Cash dividends per share	24.00	24.00	0.22

See accompanying notes to consolidated financial statements.

Consolidated Statements of Comprehensive Income

ONWARD HOLDINGS Co., Ltd. and Consolidated Subsidiaries
Years ended February 28, 2017 and 2018

	Millions of yen		Thousands of U.S. dollars (Note 2. (21))
	2017	2018	2018
Profit	¥ 4,740	¥6,788	\$63,221
Other comprehensive income:			
Net unrealized gain (loss) on available-for-sale securities	(593)	750	6,988
Deferred gain (loss) on hedging instruments	360	(131)	(1,223)
Net revaluation gain on land	143	—	—
Foreign currency translation adjustments	(3,098)	1,427	13,287
Remeasurements of defined benefit plans, net of tax	1,316	497	4,632
Share of other comprehensive income of associates accounted for using the equity method	(361)	335	3,120
Total other comprehensive income (Note 9)	(2,233)	2,878	26,804
Comprehensive income	¥ 2,507	¥9,666	\$90,025
Comprehensive income attributable to:			
Owners of the parent	¥ 2,520	¥8,249	\$76,831
Non-controlling interests	(13)	1,417	13,194

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