Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on Japanese GAAP)

February 8, 2018

Company name: Musashi Seimitsu Industry Co.,Ltd.

Stock exchange listing: Tokyo, Nagoya

Stock code: 7220 URL http://www.musashi.co.jp

Representative: President & CEO Hiroshi Otsuka

Inquiries: GM of Consolidated Financial Management Masaya Ito TEL 0532-25-8111

Scheduled date to file Quarterly Securities Report: February 9, 2018

Scheduled date to commence dividend payments:

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating pr	ofit	Ordinary prof		t Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2017	174,310	39.2	10,097	54.2	10,479	80.6	6,428	70.0
Nine months ended December 31, 2016	125,240	2.1	6,547	(32.7)	5,802	(30.9)	3,780	(39.2)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2017	205.98	188.28
Nine months ended December 31, 2016	121.18	110.70

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2017	241,881	99,175	33.9	2,623.93
As of March 31, 2017	248,482	88,312	28.8	2,294.74

2. Cash dividends

		Annual dividends per share						
	1st quarter-end	st quarter-end 2nd quarter-end 3rd quarter-end Fiscal year-end Total						
	Yen	Yen	Yen	Yen	Yen			
Year ended March 31, 2017	_	26.00	_	26.00	52.00			
Year ending March 31, 2018	-	27.00	_					
Year ending March 31, 2018 (Forecast)				27.00	54.00			

3. Forecast of consolidated financial results for the year ending March 31, 2018 (from April 1, 2017 to March 31, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating pr	ofit	Ordinary pro	ofit	Profit attributa owners of pa		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	235,000	30.2	14,800	32.5	14,500	40.5	9,200	45.7	294.80

4. Notes

(1) Changes in significant subsidiaries during the nine months ended December 31, 2017 (changes in specified subsidiaries resulting in the change in scope of consolidation):

No

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:

No
Changes in accounting policies due to other reasons:

No
Changes in accounting estimates:

No
Restatement of prior period financial statements:

No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

Total number of issued shares at the end of the period (including treasury shares)						
As of December 31, 2017	31,221,100 shares	As of March 31, 2017	31,200,000 shares			
Number of treasury shares at the end of the	e period					
As of December 31, 2017	5,870 shares	As of March 31, 2017	5,752 shares			
Average number of shares during the period (cumulative from the beginning of the fiscal year)						
Nine months ended December 31, 2017	31,207,273 shares	Nine months ended December 31, 2016	31,194,424 shares			

Quarterly consolidated financial statements Consolidated balance sheets

		(Millions of yen)
	As of March 31, 2017	As of December 31, 2017
ssets		
Current assets		
Cash and deposits	30,607	22,544
Notes and accounts receivable - trade	27,374	29,805
Merchandise and finished goods	9,522	10,318
Work in process	5,313	5,708
Raw materials and supplies	18,562	18,703
Deferred tax assets	1,174	1,120
Other	8,152	7,561
Allowance for doubtful accounts	(42)	(46)
Total current assets	100,664	95,718
Non-current assets		
Property, plant and equipment		
Buildings and structures	41,572	43,155
Accumulated depreciation	(17,939)	(19,238)
Accumulated impairment loss	(943)	(935)
Buildings and structures, net	22,688	22,981
Machinery, equipment and vehicles	200,075	209,203
Accumulated depreciation	(130,497)	(141,550)
Accumulated impairment loss	(1,165)	(1,159)
Machinery, equipment and vehicles, net	68,412	66,493
Tools, furniture and fixtures	10,467	11,089
Accumulated depreciation	(6,706)	(7,414)
Accumulated impairment loss	(51)	(49)
Tools, furniture and fixtures, net	3,708	3,625
Land	6,300	6,759
Construction in progress	7,005	5,776
Total property, plant and equipment	108,116	105,635
Intangible assets		•
Goodwill	8,874	9,111
Customer relationship assets	14,110	14,248
Software	1,626	1,501
Software in progress	155	161
Other	3,251	3,194
	-	
Total intangible assets	28,017	28,216
Investments and other assets	5.744	ć 50 0
Investment securities	5,744	6,528
Investments in capital	73	86
Long-term loans receivable	48	64
Deferred tax assets	2,751	2,413
Other	3,117	3,269
Allowance for doubtful accounts	(51)	(51)
Total investments and other assets	11,683	12,310
Total non-current assets	147,818	146,162
Total assets	248,482	241,881

Disabilities		As of March 31, 2017	As of December 31, 2017
Notes and accounts payable - trade 17,127 17,063 Short-term loans payable 28,589 10,247 Current portion of long-term loans payable 9,390 2,205 Current portion of bonds – 10,009 Accounts payable - other 3,523 1,996 Accrued expenses 5,509 6,107 Income taxes payable 1,388 1,270 Provision for bonuses 47 42 Provision for directors' bonuses 47 42 Provision for directors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total sirbilities 88,184 87,278 Total stroblers'equity 2,973 3,006 Capi	Liabilities		
Short-term loans payable 28,589 10,247 Current portion of long-term loans payable 9,390 2,205 Current portion of bonds - 10,009 Accounts payable - other 3,523 1,996 Accrued expenses 5,509 6,107 Income taxes payable 1,825 1,474 Provision for bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 10,016 - Bonds payable 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 2,973 3,006 Capital stock 2,973 3,006 Capital sturplus 1,952 1,958 </td <td>Current liabilities</td> <td></td> <td></td>	Current liabilities		
Current portion of long-term loans payable 9,390 2,205 Current portion of bonds - 10,009 Accounts payable - other 3,523 1,906 Accound expenses 5,509 6,107 Income taxes payable 1,388 1,270 Provision for bonuses 1,825 1,474 Provision for frectors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 6631 6,931 Bonds payable 66,631 6,971 Long-term loans payable 66,631 6,971 Net defined benefit liabilities 6,631 6,971 Net defined benefit liabilities 81,814 87,278 Total non-current liabilities 88,184 87,278 Total subsets 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury share	Notes and accounts payable - trade	17,127	17,063
Current portion of bonds - 10,009 Accounts payable - other 3,523 1,996 Accrued expenses 5,509 6,107 Income taxes payable 1,388 1,270 Provision for bonuses 1,825 1,474 Provision for directors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 6,661 6,791 Bonds payable 10,016 - Long-term loans payable 6,661 6,971 Net defined benefit liabilities 6,631 6,971 Net defined benefit liabilities 8,135 1,358 Total non-current liabilities 88,184 87,278 Total iabilities 2,973 3,006 Capital stock 2,973 3,006 Capital stock 2,973 3,006 Capital stock 2,973 3,006 Capital stock 2,97	Short-term loans payable	28,589	10,247
Accounts payable - other 3,523 1,996 Accrued expenses 5,509 6,107 Income taxes payable 1,388 1,270 Provision for bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 10,016 - Bonds payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total inon-current liabilities 88,184 87,278 Total sibilities 88,184 87,278 Total sibilities 160,169 142,705 Net assets 2,973 3,006 Capital surplus 1,952 1,985 Retained carnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 7,033 81,500	Current portion of long-term loans payable	9,390	2,205
Accrued expenses 5,509 6,107 Income taxes payable 1,388 1,270 Provision for bonuses 1,825 1,474 Provision for directors' bonuses 47 4,22 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 10,016 - Bonds payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 160,169 142,705 Net assets 88,184 87,278 Total liabilities 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares 7,0 8 Retained earnings 71,114 76,517 Total shareholders' equity 2,934 2,987 <	Current portion of bonds	_	10,009
Income taxes payable 1,388 1,270 Provision for bonuses 1,825 1,474 Provision for directors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 8 71,985 55,427 Non-current liabilities 6,631 6,671 - Long-term loans payable 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 1,358 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 88,184 87,278 Total shareholders' equity 2,973 3,006 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 76,517 Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 2,987 Def	Accounts payable - other	3,523	1,996
Provision for bonuses 1,825 1,474 Provision for directors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 80nds payable 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total tiabilities 160,169 142,705 Net assets 2,973 3,006 Capital stock 2,973 3,006 Capital storplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or	Accrued expenses	5,509	6,107
Provision for directors' bonuses 47 42 Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 80nds payable 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 160,169 142,705 Net assets Sancholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Valuation difference on available-for-sale securities 2,394 <	Income taxes payable	1,388	1,270
Provision for product compensations 23 71 Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 8 8 Bonds payable 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Peferred gains or losses on hedges (0) - Foreign currency translat	Provision for bonuses	1,825	1,474
Other 4,561 4,939 Total current liabilities 71,985 55,427 Non-current liabilities 10,016 - Bonds payable 64,663 73,729 Deferrent loans payable 66,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406	Provision for directors' bonuses	47	42
Total current liabilities 71,985 55,427 Non-current liabilities 10,016 - Bonds payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets 2 3 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406	Provision for product compensations	23	71
Non-current liabilities 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,73	Other	4,561	4,939
Bonds payable 10,016 - Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Sharcholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares 77 (8) Total sharcholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730	Total current liabilities	71,985	55,427
Long-term loans payable 64,663 73,729 Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Non-current liabilities		
Deferred tax liabilities 6,631 6,971 Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175 <td>Bonds payable</td> <td>10,016</td> <td>_</td>	Bonds payable	10,016	_
Net defined benefit liability 5,037 5,218 Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Long-term loans payable	64,663	73,729
Other 1,835 1,358 Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Deferred tax liabilities	6,631	6,971
Total non-current liabilities 88,184 87,278 Total liabilities 160,169 142,705 Net assets Shareholders' equity Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Net defined benefit liability	5,037	5,218
Total liabilities 160,169 142,705 Net assets Shareholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Other	1,835	1,358
Net assets Shareholders' equity Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Total non-current liabilities	88,184	87,278
Shareholders' equity 2,973 3,006 Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Total liabilities	160,169	142,705
Capital stock 2,973 3,006 Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Net assets		
Capital surplus 1,952 1,985 Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Shareholders' equity		
Retained earnings 71,114 76,517 Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Capital stock	2,973	3,006
Treasury shares (7) (8) Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income Valuation difference on available-for-sale securities 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Capital surplus	1,952	1,985
Total shareholders' equity 76,033 81,500 Accumulated other comprehensive income 2,394 2,987 Valuation difference on available-for-sale securities 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Retained earnings	71,114	76,517
Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Remeasurements of defined benefit plans Total accumulated other comprehensive income Non-controlling interests Total net assets 2,394 2,987 (0) - (2,328) (25,328) (376) (252) 406 Non-controlling interests 16,730 17,268 Total net assets	Treasury shares	(7)	(8)
Accumulated other comprehensive income Valuation difference on available-for-sale securities Deferred gains or losses on hedges Foreign currency translation adjustment Remeasurements of defined benefit plans Total accumulated other comprehensive income Non-controlling interests Total net assets 2,394 2,987 (0) - (2,328) (2,328) (376) (252) 406 Non-controlling interests 16,730 17,268 Total net assets	Total shareholders' equity	76,033	81,500
Valuation difference on available-for-sale securities 2,394 2,987 Deferred gains or losses on hedges (0) - Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Accumulated other comprehensive income		
Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Valuation difference on available-for-sale securities	2,394	2,987
Foreign currency translation adjustment (6,467) (2,328) Remeasurements of defined benefit plans (376) (252) Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Deferred gains or losses on hedges	(0)	_
Total accumulated other comprehensive income (4,450) 406 Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Foreign currency translation adjustment		(2,328)
Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Remeasurements of defined benefit plans	(376)	(252)
Non-controlling interests 16,730 17,268 Total net assets 88,312 99,175	Total accumulated other comprehensive income	(4,450)	406
Total net assets 88,312 99,175	Non-controlling interests		17,268
	•		
	Total liabilities and net assets	248,482	241,881

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

	Nine months ended	(Millions of yen) Nine months ended
	December 31, 2016	December 31, 2017
Net sales	125,240	174,310
Cost of sales	106,181	148,219
Gross profit	19,059	26,090
Selling, general and administrative expenses	12,511	15,993
Operating profit	6,547	10,097
Non-operating income	0,347	10,037
Interest income	211	279
Dividend income	121	172
Foreign exchange gains	121	298
Subsidy income	284	179
Other	278	411
Total non-operating income	896	1,341
Non-operating expenses		1,311
Interest expenses	800	852
Loss on retirement of non-current assets	8	-
Foreign exchange losses	650	_
Other	182	107
Total non-operating expenses	1,642	959
Ordinary profit	5,802	10,479
Extraordinary income		10,177
Gain on sales of non-current assets	51	32
Total extraordinary income	51	32
Extraordinary losses		
Loss on sales of non-current assets	19	56
Loss on retirement of non-current assets	135	105
Impairment loss	6	_
Total extraordinary losses	161	161
Profit before income taxes	5,691	10,349
Income taxes	1,539	3,615
Profit	4,151	6,734
Profit attributable to non-controlling interests	371	306
Profit attributable to owners of parent	3,780	6,428
1 TOTA did Todicable to Owners of parent	5,760	0,428

Consolidated statements of comprehensive income (cumulative)

1	,	(Millions of yen)
	Nine months ended	Nine months ended
	December 31, 2016	December 31, 2017
Profit	4,151	6,734
Other comprehensive income		
Valuation difference on available-for-sale securities	297	593
Deferred gains or losses on hedges	_	0
Foreign currency translation adjustment	(8,652)	4,867
Remeasurements of defined benefit plans, net of tax	88	148
Total other comprehensive income	(8,266)	5,609
Comprehensive income	(4,114)	12,343
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,287)	11,285
Comprehensive income attributable to non-controlling interests	(826)	1,058