



Consolidated Financial Results (Tanshin) for the Fiscal Year Ended March 31, 2018 (Based on Japanese GAAP)

May 15, 2018

Name of listed company : CYBERDYNE, INC. Stock exchange listing : Mothers Section of TSE
 Stock code : 7779 URL : <http://www.cyberdyne.jp/english>
 Representative (title) : President and CEO Name : Yoshiyuki Sankai
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Scheduled date of Ordinary General Meeting of Shareholders : June 22, 2018
 Scheduled date for submission of the Securities Report : June 25, 2018
 Additional materials for the financial results : yes
 Information meeting for the financial results : yes (for institutional investors)
 Scheduled start of dividend payment : -

(rounded down to the nearest millions of yen)

I. Consolidated financial results for the fiscal year ended March 31, 2018 (April 1, 2017—March 31, 2018)

1. Consolidated result of operations

(percentages denote year-on-year change)

	Net sales		Ordinary income*		Net income attributable to CYBERDYNE,INC.	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2018	1,726	4.7	(688)	-	(591)	-
Fiscal year ended March 31, 2017	1,649	30.4	(782)	-	(789)	-

* Income/loss before income tax, also called "Pretax income" or "Ordinary profit"

Note: Comprehensive income for the fiscal year ended March 31, 2018: (613) millions of yen (-%)
 for the fiscal year ended March 31, 2017: (777) millions of yen (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2018	(2.75)	-
Fiscal year ended March 31, 2017	(3.69)	-

Note: Dilutive shares exist but diluted net income per share of each term is not recorded due to net loss per share.

2. Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2018	46,338	45,630	98.4	212.04
As of March 31, 2017	46,848	46,226	98.6	214.90

3. Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
As of March 31, 2018	(52)	(2,483)	(22)	10,820
As of March 31, 2017	575	(5,547)	(109)	13,375

II. Dividends

	Dividends per share				
	End of 1st quarter (Jun.30, 2017)	End of 2nd quarter (Sep.30, 2017)	End of 3rd quarter (Dec.31, 2017)	Fiscal year end (Mar.31, 2018)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2017	–	0.00	–	0.00	0.00
Fiscal year ended March 31, 2018	–	0.00	–	0.00	0.00

Note: The table of “Dividends” indicates dividend payments on Common Shares. Dividend payments on Class Shares (non-listed) for which the number of share units differs from Common Shares are shown below as “Dividends on Class Shares”.

III. Forecast of consolidated financial results for the year ending March 31, 2019 (April 1, 2018 – March 31, 2019)

As the business of CYBERDYNE, INC. (the “Company”) and its group companies (with the Company, collectively referred to as “the Group”) is based on a new market with innovative technologies, there are many uncertain factors that could have an impact on its performance and make it difficult for the Company to provide a forecast with accurate figures. As such the Company will not announce the forecast of consolidated financial results.

Notes:

1. Changes in key subsidiaries during the fiscal year under review (changes in specific subsidiaries resulting in changes of consolidation scope): none

new: – (company name: –), excluded: – (company name: –)

2. Changes in accounting policies, accounting estimates, and restatement of error corrections

(i) Changes in accounting policies due to revisions of accounting standards, and other regulations: none

(ii) Changes in accounting policies due to reasons other than (i) : none

(iii) Changes in accounting estimates: none

(iv) Restatement of prior period financial statements after error corrections: none

3. Total number of issued shares

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

As of March 31, 2018	215,047,609 shares	As of March 31, 2017	215,047,609 shares
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(ii) Total number of treasury shares at the end of period

As of March 31, 2018	138 shares	As of March 31, 2017	138 shares
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(iii) Average number of shares during the period

Fiscal year ended March 31, 2018	215,047,471 shares	Fiscal year ended March 31, 2017	213,822,256 shares
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Note: Class B Shares are ranked the same as Common Shares and paid the same amount as Common Shares with regard to dividends of surplus and distribution of residual assets. Therefore the total number of issued shares at each end of period and the average number of shares during each period include Class B Shares as Common Shares.

*This Consolidated Financial Results (Tanshin) is outside the scope of audit procedures by certified public accountants or audit firms.

(reference) Dividends on Class Shares

Details of dividends on the Company's Class Shares which differ in shareholder's rights from its Common Shares are as below.

	Dividends per share				
	End of 1st quarter (Jun.30, 2017)	End of 2nd quarter (Sep.30, 2017)	End of 3rd quarter (Dec.31, 2017)	Fiscal year end (Mar.31, 2018)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2017	—	0.00	—	0.00	0.00
Fiscal year ended March 31, 2018	—	0.00	—	0.00	0.00

Note:

The company issued Class B Shares which were accorded the same rights as its Common Shares with regard to dividends of surplus and distribution of residual property, but for which share units differ from Common Shares.

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I. Qualitative information regarding settlement of accounts for the fiscal year ended March 31, 2018

1. Explanation on operating results

All forward-looking statements included in this explanation were determined reasonable by CYBERDYNE, INC. (“the Company”) and its group companies (with the Company, collectively referred to as “the Group”) based on currently available information for the consolidated fiscal year ended March 31, 2018 and certain assumption made by the Group.

The Group continues to research, develop and socially implement Cybernic Technology* (See below.) that combines and fuses people, robots and information in the medical, nursing-care and living support (at home and in work environments) fields. By achieving physical, informational and vital interaction with Cybernic Technology, the Group aims at solving various problems that the hyper-aging society faces.

**“Cybernic” (adjective: Cybernic) is a new academic field that is centered around cybernetics, mechatronics and informatics fused/combined with various other fields including brain/neuroscience, robotics, biology, behavioral science, psychology, law, ethics, and business administration. Cybernic is championed by Yoshiyuki Sankai, a professor at the University of Tsukuba in Japan. Cybernic Technology means a practical application of Cybernic to technology.*

Cybernic connects humans, robots and information functionally and establishes physical, informative and biological interaction. Utilizing Cybernic, the Group pursues to establish a new vision of Society 5.1, where “human” is centered and combined with cyberspace (virtual world) and physical space (real world) of Society 5.0. The Group will continue to drive the movement to realize Society 5.0/5.1 as a future society where human and technology coexist.

During the consolidated fiscal year ended March 31, 2018, the Group carried out the following activities.

In the field of medicine, the Group continued business promotion of HAL for Medical Use Lower Limb Type (“Medical HAL”) Double-Leg model, which is designed as a device to improve ambulation. In Japan, Medical HAL is used mainly for treatment of intractable neuromuscular disease, which is now covered by public health insurance. The device is promoted to hospitals that would become the “base” hospitals for the treatment with the device in Japan. In line with this promotion, an investigator-initiated clinical trial on the use of Medical HAL Single-Leg model on stroke patients, which commenced in September 2016, is in process.

In Europe, the Group already acquired medical device certification for Medical HAL for a wider range of diseases such as stroke, spinal cord injury and intractable neuromuscular diseases etc. The Group has been providing the medical treatment service with the device covered by public workers compensation insurance in Germany. The Group is taking procedures to obtain public health insurance coverage in the country. Furthermore, a private insurer started providing insurance coverage for the treatment with Medical HAL in Poland in July 2017.

In the United States, the Group obtained marketing clearance from U.S. FDA in December 2017. Upon this clearance, the following points were reflected.

- The Indication for Use: Medical HAL is a gait training device intended to temporarily improve ambulation upon completion of the HAL gait training intervention.

Note 1: Other devices in the category are intended to enable individuals to perform ambulatory functions while it is worn.

Note 2: Long term use of over 12 weeks (60 treatment sessions) has not been clinically tested and therefore the term “temporarily” is used.

- The therapeutic effects: The results of HAL gait training intervention suggest a statistically significant improvement in the gait related outcome measures collected without wearing HAL, and clinical significance was acknowledged.

Following this announcement of the FDA marketing clearances, the Company set up a joint venture, CYBERDYNE & BROOKES, Inc., with Brooks Rehabilitation, which is known as one of the busiest rehabilitation hospital groups in the U.S. The Group created Cybernic Treatment Center in Jacksonville, Florida in March 2018, to provide the treatment service with Medical HAL. The Group regards this as its first step to disseminate the treatment services with Medical HAL in the U.S., which is the largest medical device market in the world.

In another region, the Group obtained medical device approval for manufacturing and marketing of Medical HAL from The Saudi Food and Drug Authority in August 2017. Treatment with Medical HAL commenced in Abdul Latif Jameel Hospital, which is the hospital owned by the Company's business partner Abdul Latif Jameel Group.

As of the end of March 2018, 257 units of Medical HAL were in operation in Japan and foreign countries including those used for clinical research. Out of the aforementioned number, 68 units were rented out in Japan.

With regards to the light-weighted and compact HAL for Well-being (Single Joint Type), 234 units were in operation as of the end of March 2018 and most of the units are used in the hospitals for clinical researches. HAL for Well-being (Single-Joint Type) is a device designed to be applied on the knee or the elbow, a proposal on an investigator-initiated clinical trial towards a treatment with the device for acute stage stroke led by Kyoto University Hospital as the representative research and development institution was adopted by Japan Agency for Medical Research and Development ("AMED") for its solicited project in October 2017. Once this clinical trial is complete, the Group will go through necessary steps to obtain a medical device approval for this device. For Vital Sensor, which is a palm-size device for monitoring indices of arteriosclerosis and electrocardiogram, the Group completed making arrangements with the Pharmaceuticals and Medical Devices Agency about the necessary procedures to obtain a medical device approval and entered into the final phase of preparing necessary documents.

In the field of welfare, HAL for Well-being Lower Limb Type was introduced as the successor model of HAL for Living Support (Lower Limb Type) in April 2018. These devices are designed for chronic stage patient with disability in their lower limb or the users with weakened lower limb function. HAL for Well-being induces the improvement in the lower limb function. As of the end of March 2018, 398 units of HAL for Well-being Lower Limb Type and HAL for Living Support (Lower Limb Type) were in operation. The Group also started to market its new product, HAL Lumbar Type for Well-being in October 2017. This product is capable of inducing the maintenance and improvement of the weakened bodily functions of a care receiver in the core and lower body. Quality of his/her life will improve with this product, as it would enable him/her to stand and sit without the help of caregivers. It will also greatly reduce the physical burden of the caregivers. 51 units of HAL Lumbar Type Well-being for were in operation as of the end of March 2018.

Furthermore, in January 2018, the Group announced to commence selling of Cyin™ for Living Support ("Cyin"). Cyin applied the technology of HAL to allow patients with difficulties in verbal communication or physical movement due to disease etc., to transmit their intention and operate other communication and environmental control devices, such as a nurse call button. The Group delivered Cyin to 11 patients' associations/support associations of patients (as a donation from Daido Life Insurance Company) who helped the clinical research of Cyin and HAL Systems. The Group is currently making preparation towards the general market. The Group will develop Cyin even more, so that it could be used by more patients with difficulties in verbal communication or physical movement due to diseases, etc. The Group also anticipates to develop a sensing device that can analyze vital information such as bio-electrical signals using the technology of Cyin.

Regarding HAL Lumbar Type for Care Support that reduces the load on the lower back of caregivers and would result in improvement of the work environment at care facilities that suffer from high turnover rates, 796 units were in operation as of the end of March 2018. As the Ministry of Health, Labor and Welfare of Japan added the category of the "Wearable-Transferring Aid devices", a category that includes HAL Lumbar Type for Care Support, into a list of eligible products to its subsidy program to secure human resources in care facilities, the Company anticipates an increase in the operating number of HAL Lumbar Type for Care Support.

In the field of living support, the Group focuses its development on labor support. HAL Lumbar Type for Labor Support is utilized to reduce the load on the lower back of workers and improve the work environment in order to maintain the labor force in distribution warehouses, construction sites and factories of various types, which suffer from serious shortage of labor force as a result of an aging population and declining birthrate. The new model (LB03) that was announced in November 2017 is expected to significantly multiply the usage scenes of HAL Lumbar Type for Labor Support. This new model with waterproof and dust proof functions will allow the product to be used in various situations such as rainy or dusty outdoor construction sites and humid indoor sites. Since the end of December 2017, the operating units of HAL Lumbar Type for Labor Support increased 88 units to 372 units as of the end of March 2018, following the events such as adoption of 30 units by Daiwa House Industry Co., Ltd.

Furthermore, the Group completed the development of the improved new model of the Cleaning Robot (CL02) in March 2018. The Cleaning Robot can flexibly clean buildings with wide cleaning areas or complex shapes utilizing cutting-edge technology. As such, the Group anticipates implementation of Cleaning Robots to various large-scale facilities such as commercial buildings, office buildings and airports. In March 2018, the Group delivered the new Cleaning Robot to Diversity Tokyo Plaza that is operated by Mitsui Fudosan Co., Ltd. The Group also announced to work together with Sumitomo Corporation on automation

and streamlining of office buildings. The Group and Sumitomo Corporation will implement the Cleaning Robots to office buildings that is operated by the Sumitomo Corporation Group. 27 units of Cleaning Robots and Transportation Robots in operation were recorded as of the end of March 2018.

In order to disseminate Cybernic Technology further, the Company established a business alliance with a private insurer and promoted a private insurance coverage of the treatment with the device in addition to the public health insurance. In addition to the promotion of “HAL Plus rider” Daido Life Insurance Company donated Cyin to 11 patients’ associations/support associations of patients. AIG Holding Japan KK is covering the fee for the training program with HAL for 50 students in Kanagawa Prefecture, who suffer from spinal cord injury as part of their contribution to their society. Furthermore, the Company has entered into comprehensive business alliance with Sompo Japan Nipponkoa Insurance in October in order to fuse innovative Cybernic Technology with risk financing facilities of the insurer to structure healthy and rich social system, starting with the field of long-term care.

The Group continues to revolutionize both industries and the society through Cybernics in order to solve problems related to the super aging society. In line with that, the Group announced to establish “CEJ Fund” with Mizuho Bank, Ltd. and Global Brain Corporation in December 2017. CEJ Capital, Inc. (CEJ stands for Cybernic Excellency Japan) was established in December 2017 and preparation is currently in process to start the operation of CEJ Fund.

As the result of the aforementioned, in the consolidated financial result of the fiscal year ended March 31, 2018, the Company recorded net sales of ¥1,726,925 thousand (4.7% increase year on year), mainly due to an increase in the operating number of Medical HAL and HAL Lumbar Type. Gross profit was recorded at ¥1,205,053 thousand (11.7% increase year on year).

Research and development expenses were recorded at ¥842,943 thousand (6.6% decrease year on year). Alike the previous fiscal year, this was mainly due to development of new products at the Company’s own expense and consigned research projects of “Realization of Zero Burdening-care Society through Innovative Cybernic System”, which are part of the projects under the Impulsing Paradigm Change through Disruptive Technologies Program (“ImPACT”) hosted by the Japan Science and Technology Agency (“JST”). On the other hand, other selling, general and administrative expenses only increased to ¥1,380,136 thousand (2.4% increase year on year). As a result, operating loss improved by ¥154,088 thousand to ¥1,018,027 thousand (13.1% decrease year on year).

While non-operating income was recorded at ¥375,715 thousand, mainly due to a subsidy income, non - operating expenses were recorded at ¥46,654 thousand mainly due to share of loss of entities accounted for using equity method. These results led to improvement of ¥93,686 thousand in ordinary loss (income/loss before income tax, also called pretax income or ordinary profit) to ¥688,966 thousand (12.0% decrease year on year).

Because of extraordinary income recorded at ¥100,085 thousand mainly due to gain on sales of investment securities, partly offset with total income taxes was recorded at ¥5,012 thousand and net loss attributable to non-controlling interest recorded at ¥2,707 thousand, net loss attributable to CYBERDYNE, INC. for the consolidated fiscal year ended March 31, 2018 improved by ¥198,146 thousand to ¥591,185 thousand (25.1% decrease year on year).

2. Explanation of financial position

(i) Assets:

For the fiscal year ended March 31, 2018, total assets decreased ¥509,648 thousand to ¥46,338,618 thousand in comparison to the end of the previous fiscal year. This was mainly due to a decrease of ¥3,555,268 thousand in cash and deposits, partly off set by an increase of securities ¥999,977 thousand and investment securities ¥953,321 thousand.

(ii) Liabilities:

For the fiscal year ended March 31, 2018, total liabilities decreased ¥86,458 thousand to ¥708,578 thousand in comparison to the end of the previous fiscal year. This was mainly due to increase of ¥32,274 in accounts payables - trade.

(iii) Net assets:

For the fiscal year ended March 31, 2018, net assets increased ¥596,107 thousand to ¥45,630,039 thousand in comparison to the end of the previous fiscal year. This was mainly due to decrease in retained earnings arising from the net loss attributable to CYBERDYNE, INC. for the fiscal year ended March 31, 2018.

3. Status of cash flows

For the fiscal year ended March 31, 2018, cash and cash equivalents decreased ¥2,555,291 thousand to ¥10,820,441 thousand in comparison to the end of the previous fiscal year. Status of each cash flow within the fiscal year ended March 31, 2018 and its main influencing factors are stated below.

(Net cash provided by operating activities)

For the fiscal year ended March 31, 2018, net cash provided by operating activities was outflow of ¥52,698 thousand (inflow of ¥575,438 thousand in the previous fiscal year). This was mainly attributable to outflow from net loss before provision for income taxes ¥588,881 thousand, gain on sales of investment securities ¥99,990 thousand and increase in accounts receivable - trade ¥115,770 thousand partly offset by depreciation ¥395,843 thousand, share of loss of entities accounted for using equity method ¥41,806 thousand and a decrease in accounts payable - trade ¥101,241 thousand.

(Net cash provided by investment activities)

For the fiscal year ended March 31, 2018, net cash provided by investing activities was outflow of ¥2,483,191 thousand (outflow of ¥5,547,807 thousand in the previous financial year), mainly due to ¥1,070,364 thousand in purchase of property, plant and equipment and ¥1,563,440 thousand in proceeds from investment securities.

(Net cash provided by financing activities)

For the fiscal year ended March 31, 2018, net cash provided in financing activities was outflow of ¥22,593 thousand (outflow of ¥109,807 thousand in the previous financial year).

4. Explanation related to the forecast of consolidated financial results and other forward-looking statements

As the business of the Group is based on a new market with innovative technologies, there are many uncertain factors that could have an impact on its performance and make it difficult for the Group to provide a forecast with accurate figures. As such the Group will not announce the forecast of consolidated financial results.

II. Accounting standards

As the Group is mainly operating in Japan, it does and will prepare consolidated financial statements based on the Japanese accounting standards for the time being. The Group started considering an adoption of International Financial Reporting Standards (“IFRS”) based on its plan on business development and domestic/international accounting trend.

III. Consolidated Financial Statements

1. Consolidated balance sheets

(Thousands of yen)

	As of March 31, 2017	As of March 31, 2018
Assets		
Current assets		
Cash and deposits	10,375,733	6,820,464
Accounts receivable - trade	247,451	363,222
Securities	23,000,000	23,999,977
Merchandise and finished goods	96,708	86,307
Work in process	9,569	11,511
Raw materials	420,267	467,112
Accounts receivable	125,233	23,991
Other	117,807	35,922
Allowance for doubtful accounts	(1,355)	(2,403)
Total current assets	34,391,415	31,806,107
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	978,884	911,505
Rental assets, net	478,415	398,855
Land	3,118,558	3,117,971
Construction in progress	6,003,880	6,782,710
Other, net	285,856	312,333
Total property, plant and equipment	10,865,595	11,523,375
Intangible assets	66,026	89,590
Investments and other assets		
Investment securities	1,360,838	2,314,159
Other	164,391	605,384
Total investments and other assets	1,525,229	2,919,544
Total non-current assets	12,456,851	14,532,510
Total assets	46,848,267	46,338,618
Liabilities		
Current liabilities		
Accounts payable - trade	20,758	53,033
Income taxes payable	151,632	124,763
Other	320,052	416,344
Total current liabilities	492,444	594,142
Non-current liabilities		
Deferred tax liabilities	13,853	10,688
Asset retirement obligations	73,081	74,579
Other	42,741	29,169
Total non-current liabilities	129,676	114,436
Total liabilities	622,120	708,578

(Thousands of yen)

	As of March 31, 2017	As of March 31, 2018
Net assets		
Shareholders' equity		
Capital stock	26,743,881	26,743,881
Capital surplus	26,679,881	26,679,881
Retained earnings	(7,222,347)	(7,817,118)
Treasury shares	(204)	(204)
Total shareholders' equity	46,201,209	45,606,438
Other comprehensive income		
Valuation difference on available-for-sale securities	8,966	677
Foreign currency translation adjustment	3,502	(8,200)
Total accumulated other comprehensive income	12,468	(7,522)
Stock acquisition rights	12,468	19,103
Non - controlling interests	—	12,019
Total net assets	46,226,147	45,630,039
Total liabilities and net assets	46,848,267	46,338,618

2. Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net sales	1,649,940	1,726,925
Costs of sales	570,987	521,872
Gross profit	1,078,953	1,205,053
Selling, general and administrative expenses		
Research and development expenses	902,867	842,943
Other selling, general and administrative expenses	1,348,201	1,380,136
Total selling, general and administrative expenses	2,251,068	2,223,080
Operating loss	(1,172,115)	(1,018,027)
Non-operating income		
Interest income	8,902	11,756
Subsidy income	879,669	13,648
Consigned research income	283,805	292,043
Other	70,008	58,267
Total non-operating income	1,242,386	375,715
Non-operating expenses		
Interest expenses	7,999	962
Share issuance cost	96,231	13
Loss on reduction of non-current assets	741,755	—
Share of loss of entities accounted for using equity method	—	41,806
Other	6,936	3,871
Total non-operating expenses	852,923	46,654
Ordinary loss (*)	(782,653)	(688,966)
Extraordinary income		
Gain on sales of non-current assets	40	—
Gain on sales of investment securities	—	99,990
Other	—	95
Total extraordinary income	40	100,085
Extraordinary loss		
Loss on sales of non-current assets	302	—
Total extraordinary loss	302	—
Net loss before provision for income taxes	(782,914)	(588,881)
Income taxes-current	7,534	6,327
Income taxes-deferred	(1,116)	(1,314)
Total income taxes	6,417	5,012
Net loss	(789,332)	(593,893)
Net loss attributable to non-controlling interests	—	(2,707)
Net loss attributable to CYBERDYNE,INC.	(789,332)	(591,185)

* Income/loss before income tax without extraordinary income/loss, also called “Pretax income” or “Ordinary profit”

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net loss	(789,332)	(593,893)
Other comprehensive income		
Valuation difference on available-for-sale securities	8,966	(8,288)
Foreign currency translation adjustment	2,730	(11,731)
Total accumulated other comprehensive income	11,696	(20,020)
Total comprehensive income	(777,636)	(613,913)
(Comprehensive income attributable to)		
CYBERDYNE,INC.	(777,636)	(616,650)
Non-controlling interests	—	2,736

3. Consolidated statements of changes in equity

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

(Thousands of yen)

	Shareholders' equity					Other comprehensive income			Stock acquisition rights	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other comprehensive income			
Balance at beginning of year	16,511,767	16,447,767	(6,433,015)	(204)	26,526,314	—	772	772	536,847	—	27,063,934
Changes of items during year											
Issuance of new shares	10,232,113	10,232,113	—	—	20,464,227	—	—	—	—	—	20,464,227
Net loss attributable to CYBERDYNE,INC.	—	—	(789,332)	—	(789,332)	—	—	—	—	—	(789,332)
Increase in retained earnings due to merger of non-consolidated subsidiary	—	—	—	—	—	—	—	—	—	—	—
Net changes in items other than shareholders' equity	—	—	—	—	—	8,966	2,730	11,696	(524,378)	—	(512,682)
Total changes of items during year	10,232,113	10,232,113	(789,332)	—	19,674,895	8,966	2,730	11,696	(524,378)	—	19,162,212
Balance at end of year	26,743,881	26,679,881	(7,222,347)	(204)	46,201,209	8,966	3,502	12,468	12,468	—	46,226,147

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

(Thousands of yen)

	Shareholders' equity					Other comprehensive income			Stock acquisition rights	Non-controlling interests	Total net assets
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total other comprehensive income			
Balance at beginning of year	26,743,881	26,679,881	(7,222,347)	(204)	46,201,209	8,966	3,502	12,468	12,468	—	46,226,147
Changes of items during year											
Issuance of new shares	—	—	—	—	—	—	—	—	—	—	—
Net loss attributable to CYBERDYNE,INC.	—	—	(591,185)	—	(591,185)	—	—	—	—	—	(591,185)
Increase in retained earnings due to merger of non-consolidated subsidiary	—	—	(3,585)	—	(3,585)	—	—	—	—	—	(3,585)
Net changes in items other than shareholders' equity	—	—	—	—	—	(8,288)	(11,703)	(19,991)	6,635	12,019	(1,336)
Total changes of items during year	—	—	(594,771)	—	(594,771)	(8,288)	(11,703)	(19,991)	6,635	12,019	(596,107)
Balance at end of year	26,743,881	26,679,881	(7,817,118)	(204)	45,606,438	677	(8,200)	(7,522)	19,103	12,019	45,630,039

4. Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash flows from operating activities		
Net loss before provision for income taxes	(782,914)	(588,881)
Depreciation	341,191	395,843
Loss on reduction of non-current assets	741,755	–
Increase (decrease) in allowance for doubtful accounts	597	1,047
Interest income	(8,902)	(11,756)
Interest expenses	7,999	962
Share issuance cost	96,231	–
Share of loss of entities accounted for using equity method	–	41,806
Gain on sales of investment securities	–	(99,990)
Decrease (increase) in accounts receivable - trade	(30,104)	(115,770)
Decrease (increase) in inventories	(76,919)	(38,386)
Increase (decrease) in accounts payable - trade	(27,361)	32,274
Decrease (increase) in accounts receivable	224,026	101,241
Other	95,454	227,116
Subtotal	581,053	(54,492)
Interest and dividend income received	6,982	9,863
Interest expenses paid	(1,785)	(962)
Income taxes paid	(10,813)	(7,107)
Net cash provided by (used in) operating activities	575,438	(52,698)
Cash flows from investing activities		
Purchase of securities	(20,000,000)	(43,000,000)
Proceeds from redemption of securities	20,000,213	43,000,000
Proceeds from withdrawals of time deposits	1,500,000	–
Purchase of property, plant and equipment	(6,596,919)	(1,070,364)
Purchase of intangible assets	(18,003)	(48,497)
Purchase of investment securities	(433,099)	(1,563,440)
Proceeds from sales of investment securities	–	699,970
Other	1	(500,859)
Net cash provided by (used in) investing activities	(5,547,807)	(2,483,191)
Cash flows from financing activities		
Proceeds from issuance of Common Shares	(88,131)	–
Other	(21,676)	(22,593)
Net cash provided by (used in) financing activities	(109,807)	(22,593)
Effect of exchange rate changes on cash and cash equivalents	(1,060)	2,053
Net increase (decrease) in cash and cash equivalents	(5,083,237)	(2,556,430)
Cash and cash equivalents at beginning of fiscal year	18,458,970	13,375,733
Increase in cash and cash equivalents resulting from merger	–	1,138
Cash and cash equivalents at end of year	13,375,733	10,820,441

5. Notes to consolidated financial statements

(Notes on premise of going concern)

There are no items to report.

(For “Consolidated Statements of Cash Flows”)

Relationship between cash and cash equivalents in the consolidated statements of cash flows at the end of the fiscal year and amounts of the relevant accounts stated in the consolidated balance sheet are as follows.

(Thousands of yen)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Cash and deposits	10,375,733	6,820,464
Securities account	23,000,000	23,999,977
Bonds for which the redemption date is over three months	(20,000,000)	(20,000,000)
Cash and cash equivalents	13,375,733	10,820,441

(Segment information)

Segment information:

Fiscal year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)

Since the company group had a single segment, segment information was omitted.

Fiscal year ended March 31, 2018 (from April 1, 2017 to March 31, 2018)

Since the company group had a single segment, segment information was omitted.

(Per-share data)

	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net assets per share (Yen)	214.90	212.04
Net loss per share (Yen)	(3.69)	(2.75)

Notes:

(i) Diluted net income per share is not stated because net loss per share was posted in spite that there are potential shares.

(ii) Net assets per share are calculated based on the following.

Item	As of March 31, 2017	As of March 31, 2018
Total of Net assets in the Balance Sheets (Thousands of yen)	46,226,147	45,630,039
Amount to be deducted from the total of net assets (Thousands of yen)	12,468	31,123
Net assets at end of year pertaining to Common Shares and shares equivalent to Common Shares (Thousands of yen)	46,213,678	45,598,916
Number of Common Shares and shares equivalent to Common Shares that is used in calculation of net assets per share (shares)	215,047,471	215,047,471

(iii) Net loss per share is calculated based on the following.

Item	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Net loss attributable to CYBERDYNE,INC. (Thousands of yen)	(789,332)	(591,185)
Amount not available for Common Shareholders and shareholders equivalent to Common Shareholders (Thousands of yen)	—	—
Net loss attributable to Common Shares and shares equivalent to Common Shares (Thousands of yen)	(789,332)	(591,185)
Average number of Common Shares and shares equivalent to Common Shares during the period (shares)	213,822,256	215,047,471