

**YANMAR**

News Release

June 27, 2018

## FY17 Financial Results

OSAKA Japan (June 27, 2018), Yanmar today announced its financial results for the 12-month period to March 31, 2018.

### ■Overview of FY17 Performance

Revenues for the current fiscal year were 766.1 billion yen, a year-on-year increase of 2.2%, while ordinary profit was 17.3 billion yen, a year-on-year increase of 53.0%. In addition, overseas revenue was 390.4 billion yen, a year-on-year increase of 2.1%, bringing the share of revenue from sales outside Japan to 51.0%.

Consolidated Performance for the Fiscal Year 2017 (April 1, 2017-March 31, 2018)

	Revenues		Operating Profit		Ordinary Profit		Net Profit	
<b>FY17</b>	766,176	2.2%	12,113	32.1%	17,322	53.0%	10,843	—
<b>FY16</b>	749,353	6.5%	9,169	-63.3%	11,325	-51.9%	-1,382	—

(in millions of Yen)

percentages indicate year-on-year increase and decrease ratios

In regards to the outlook for the global economy for this fiscal year, among developed nations improved employment conditions and steady personal consumption in the US resulted in a stronger growth. There was moderate continued growth in the European economy, mainly centered on Eurozone countries.

In China, global economic expansion leading to major growth in exports and a higher level of infrastructure investments contributed to steady growth. In Japan, a continuing trend of increased facilities investment across business sectors and increased levels of personal consumption resulting from continued improvements in employment and income environments contributed to continued economic growth.

Against this background, throughout fiscal 2017 the Yanmar Group focused its efforts on the following priority initiatives aimed at maintaining sustainable growth in the medium to long term:

1) Investing in expansion of finished product businesses

- ① New model launches for finished product businesses and reform of sales and after-sales services
- ② Engine and component development for entry into higher output product segment

2) Increasing overseas market share and developing high-growth markets

- ① Increasing market share in developed markets
- ② Developing high-growth markets in Asia
- ③ Establishing and implementing strategies for new markets with anticipated future growth

### 3) Building structural foundations for global competitiveness

- ① Ensuring resources for future growth through cost reduction initiatives
- ② Enhancing operations that contribute to increased customer value

## ■Outlook for FY18

Going forward, the global economy may continue to face uncertain conditions resulting from US economic policy and trade relations between the US and China, however, the Yanmar Group projects revenues of 830 billion yen resulting from spinning-off final product businesses with a view to realizing faster decision making, as well as continued introduction of new products, improvements in sales and after-sales services, and other initiatives. The company forecasts an operating profit of 27.5 billion yen and ordinary profit of 28.8 billion yen for FY18.

### Forecast for FY18

	Revenues		Operating Profit		Ordinary Profit		Net Profit	
FY18	830,000	8.3%	27,500	127.0%	28,800	66.3%	16,500	52.2%

The estimated exchange rates upon which future performance forecasts are based is 1 US dollar = 110 yen and 1 Euro = 130 yen.

### <About Yanmar>

With beginnings in Osaka, Japan in 1912, Yanmar was the first ever to succeed in making a compact diesel engine of a practical size in 1933. Moving on, with industrial diesel engines as the cornerstone of the enterprise, Yanmar has continued to expand its product range, services, and expertise to deliver total solutions as an industrial equipment manufacturer. As a provider of small and large engines, agricultural machinery and facilities, construction equipment, energy systems, marine, machine tools, and components — Yanmar’s global business operations span seven domains.

On land, at sea, and in the city, Yanmar’s Mission of “providing sustainable solutions focused on the challenges customers face, in food production and harnessing power, thereby enriching people’s lives for all our tomorrows,” stands testament to Yanmar’s determination to provide us with “A Sustainable Future”.

For more details, please check out the official website of Yanmar Co., Ltd.: <https://www.yanmar.com/global/about/>

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