



# KYOCERA UNIMERCO Tooling A/S

Drejervej 2, 7451 Sunds, Denmark  
Company reg. no. 21 12 65 43

Annual Report for the period  
1 April 2017 - 31 March 2018

Approved at the General Meeting 31-08-2018

Chairman: \_\_\_\_\_

A handwritten signature in blue ink, written over a horizontal line, representing the Chairman's approval.

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## MANAGEMENT STATEMENT

The Board of Directors and the Management have today considered and adopted the Annual Report of KYOCERA UNIMERCO Tooling A/S for 2017/18.

The Annual Report has been prepared in accordance with the Danish Financial Statements Act.

We consider the accounting policies applied appropriate, and thus the Annual Report provides a true and fair view of the company's assets, liabilities and financial position as of 31 March 2018, and of the results of the company's activities and cash flows for the period 2017/18.

We are also of the opinion that the Management's report provides a true and fair account of the development in the company's activities and financial conditions, profit for the year and the company's financial position.

We recommend the Annual Report for adoption at the General Meeting.

Sunds, 31 August 2018

### Management:



Senri Nagashima  
President

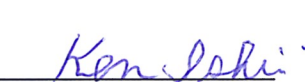


Shoji Gotoda  
Vice president

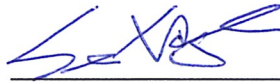


Shigeru Koyama  
Board member

### Board of Directors:



Ken Ishii  
(Chairman)



Senri Nagashima



Shigeru Koyama



Peer Ditlev  
(staff-elected)



Lise Rahbek Laursen  
(staff-elected)

# INDEPENDENT AUDITOR'S REPORT

To the Shareholder of KYOCERA UNIMERCO Tooling A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2018, and of the results of the Company's operations for the financial year 1 April 2017 - 31 March 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of KYOCERA UNIMERCO Tooling A/S for the financial year 1 March 2017 - 31 March 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act. Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

## Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## INDEPENDENT AUDITOR'S REPORT

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

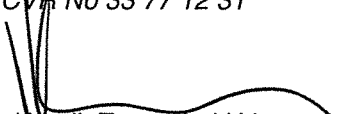
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 31 August 2018

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Henrik Trangeled Kristensen  
State Authorised Public Accountant  
mne23333



Christian Bertelsen  
State Authorised Public Accountant  
mne36171

## **COMPANY DETAILS**

KYOCERA UNIMERCO Tooling A/S  
Drejervej 2  
DK-7451 Sunds

Telephone : +45 97 14 14 11  
Telefax : +45 97 14 14 86  
Website : [www.kyocera-unimerco.com](http://www.kyocera-unimerco.com)  
E-mail : [umdk@kyocera-unimerco.com](mailto:umdk@kyocera-unimerco.com)  
Reg. office : Sunds

Company reg. no. 21 12 65 43

### **Core activities**

KYOCERA UNIMERCO Tooling A/S is a consulting, sales, manufacturing and service company within cutting tools and measuring tools industries.

### **Ownership structure**

The company is 100% owned by:

KYOCERA UNIMERCO A/S  
Drejervej 2  
DK-7451 Sunds

Company reg. no. 26 77 69 10

### **Board of Directors**

Ken Ishii (Chairman)  
Senri Nagashima  
Shigeru Koyama  
Peer Ditlev (staff-elected)  
Lise Rahbek Laursen (staff-elected)

### **Management**

Senri Nagashima, President  
Shoji Gotoda, Vice president  
Shigeru Koyama, Board member

### **Financial year**

1 April 2017 - 31 March 2018

### **Auditors**

PricewaterhouseCoopers

### **Bankers**

Danske Bank

### **Lawyers**

PLESNER, Copenhagen

### **General Meeting**

The company's General Meeting will be held in the company's office Friday 31 August 2018.

## KEY FIGURES

DKK '000

	2013/14	2014/15	2015/16	2016/17	2017/18
<b>Revenue</b>	299.206	302.639	306.566	305.847	309.062
Operating profit	35.952	31.131	29.734	26.047	26.702
Financial items	-791	-1.910	867	1.282	90
<b>Net profit</b>	27.452	22.299	23.511	21.234	20.630

Fixed assets	121.696	88.216	81.942	85.457	90.980
Current assets	112.324	114.604	118.802	138.999	131.879
<b>Total assets</b>	234.020	202.820	200.744	224.456	222.859
Share capital	40.000	40.000	40.000	40.000	40.000
<b>Equity</b>	98.840	121.660	145.171	166.405	166.035
Provisions	9.239	8.411	7.594	9.719	9.771
Current liabilities	125.941	72.749	47.979	48.332	47.053

<b>Average no. of employees</b>	296	293	303	296	293
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<b>Investments in tangible fixed assets</b>	11.122	5.466	9.641	17.498	22.789
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Profit ratio	12,0	10,3	9,7	8,5	8,6
Return on invested capital p.a.	25,2	29,3	24,1	17,3	16,0
Gross margin ratio	31,7	29,5	28,2	28,1	27,4
Return on equity p.a.	27,9	20,2	17,6	13,6	12,4
Equity ratio	42,2	60,0	72,3	74,1	74,5

The financial ratios have been prepared in accordance with the Danish Society of Financial Analysts' guidelines concerning the calculation of financial ratios.

## **MANAGEMENT'S REPORT**

### **Development this financial year**

The revenue for this financial year amounted to DKK 309,1 million, which represents a growth of 1,1% compared to the year before. This financial year, 57,9% of the revenue was realised on markets outside Denmark, compared to 57,0% the year before. The revenue is lower than the expectations for the year, however, still considered satisfactory.

This year's earnings before tax amounted to DKK 26,8 million, which is a decrease of 2,0% compared to the previous year. Based on earnings before tax, the profit ratio equals 8,7%, which is considered satisfactory.

### **Expectations for the coming year**

Next year, we expect to be able to increase sales between 2% and 6%. Since we plan significant investment in machine technology, we expect to see a decrease in earnings before tax in the coming year.

### **Equity and liquidity**

Equity decreased by DKK 0,4 million, from DKK 166,4 to DKK 166,0 million. Net profit for the year increased equity by DKK 20,6 million, while dividend payment reduced equity by DKK 21,0 million.

Liquidity remained on the same level of DKK 13,5 million.

No significant events have occurred after the balance sheet date.

### **Product development**

During the year, the company has expanded its competences, capacity and capability in relation to developing new products and new versions of existing solutions. Mainly this happens in joint development projects with customers.

### **Mandatory statement on social responsibility under section 99(a) of the Danish Financial Statements Act**

As regards environment and quality, the company has retained its ISO certificates in all audits. In relation to suppliers, all relevant regulations, e.g. WEEE, REACH and ROHS, are compulsory for the cooperation.

Please refer to the CSR policies of the ultimate parent company Kyocera Corporation, which apply to Kyocera Corporation and Kyocera Group companies, as well as all executive officers and employees. The guidelines can be obtained from the Kyocera Group website on the following link:

<https://global.kyocera.com/ecology/index.html>.

The goals and results of Kyocera Corporation' CSR activities can be obtained from the Kyocera Group website on the following link: <https://global.kyocera.com/ecology/goal.html>.

The full 2018 CSR report of the ultimate parent company Kyocera Corporation, which is prepared in accordance with the UN Global Compact guidelines will be published in English in October. The report can be obtained from the Kyocera Group website on the following link:

<https://global.kyocera.com/ecology/catalog.html>.

### **Mandatory statement on the underrepresented gender under section 99(b) of the Danish Financial Statements Act**

The Board of Directors has set a target that the Board of Directors elected by the Annual General Meeting shall include at least 1 woman in 2019.

Since there has been no change in the Board of Directors, no members of the Board of Directors elected by the Annual General Meeting are female.

The company's overall goal is to promote gender diversity while still recruiting based on the person's competences. To promote diversity, the company has made a policy to increase the number of women at other management levels below the Board of Directors. The company believes managers should be chosen based on their competences regardless of gender, age, ethnicity, religion etc. However, the company also recognises the benefits of diversity in management.

When recruiting, the job advert will be gender neutral, and we will aim to call in an equal number of female and male applicants, provided that all candidates possess the right qualifications. We will aim to prioritize women for positions where women are under-represented. Through this effort the company has maintained a gender distribution that is considered satisfactory for the industry.



## **ACCOUNTING POLICIES**

### **Basic principles**

The Annual Report for KYOCERA UNIMERCO Tooling A/S for 2017/18 is presented in accordance with the requirements of the Danish Financial Statements Act for class C companies (large).

The accounting policies applied in this Annual Report are unchanged from last year.

### **In general**

Income is recognised in the income statement when earned – this includes recognition of value adjustments of financial assets and liabilities which are measured at fair value or amortised cost. Furthermore, all costs incurred to achieve the profit for the year – including depreciation, write-downs and provisions – are recognised in the income statement along with reversal of amounts, which have previously been recognised in the income statement due to changes in accounting estimates.

Assets are recognised in the balance sheet when it is probable that future economic benefits will accrue to the company and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when they are probable and when they can be measured reliably.

Initial recognition of assets and liabilities is done at cost price. Subsequently, assets and liabilities are measured as described below for each item.

Certain financial assets and liabilities are measured at amortised cost price, which means a constant true interest is recognised. Amortised cost is calculated as initial cost less any instalments and addition/deduction of the accumulated amortisation of the difference between cost and nominal value. Consequently, the capital gains and losses are allocated over the expected useful lives.

When recognising and measuring, allowance is made for any profits, losses and risks that become known before the financial statements are presented and which confirm or deny conditions, which existed on the balance sheet date.

### **Translation of foreign currency**

Transactions in foreign currency during the year have been booked during the year at the exchange rate effective on the date of transaction. Exchange differences arising from the difference between the exchange rate on the transaction date and the exchange rate prevailing at the balance sheet date are recognised in the income statement.

Receivables, payables and other monetary items in foreign currency, which have not been settled on the balance sheet date, are translated using the closing rate. The difference between the exchange rate of the balance sheet date and the exchange rate when the receivable or debt was incurred or recognised in the latest Annual Report is recognised in the income statement under financial items.

Non-current assets purchased in foreign currency are translated using the rate of exchange on the date of transaction.

### **Income statement:**

#### **Revenue**

The revenue related to goods for resale and manufactured goods is recognised in the income statement provided that delivery and passing of the risk have taken place before the end of the financial year, and provided that the income can be stated reliably and is expected to be received. Revenue is recognised ex VAT, taxes and discounts related to sales.

## **ACCOUNTING POLICIES**

### **Production expenses**

Production expenses comprise costs incurred to achieve the revenue for the year. The cost price includes raw materials, direct wages/salaries and indirect production costs, such as maintenance, depreciation etc. The trading activities include cost of sales, and the manufacturing activities include production costs corresponding to the revenue for the year.

Production expenses also include R&D costs that do not meet the criteria for capitalisation, along with depreciation on capitalised development costs.

### **Distribution expenses**

Distribution costs comprise costs regarding sales and distribution personnel, market development costs, other sales promotion costs, costs related to sales risks, etc., including depreciation.

### **Administrative expenses**

Administrative costs comprise expenses regarding administrative staff, management and office expenses, etc., including depreciation. Administrative expenses also comprise other overheads regarding IT, including technical IT, human resource development, training and education and the company canteen.

### **Other operating income and expenses**

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the company, including gains and losses on the sale of intangible assets and property, plant and equipment.

### **Financial income and expenses**

Financial income and expenses include interest income and expense, exchange gains and losses on securities, amortisation of financial assets and liabilities.

### **Tax on profit for the year**

Expected tax on the year's taxable income is recognised as an expense in the income statement along with the year's adjustment of provisions for deferred tax. The company is jointly taxed with KYOCERA UNIMERCO A/S. Corporation tax and deferred tax are provided for in the company without consideration of the joint taxation. The remaining tax is provided for in the parent company.

### **Balance sheet:**

#### **Intangible fixed assets**

##### **Acquired rights**

Patents and trademarks are measured at cost price with the deduction of accumulated depreciation and writedowns. Patents and trademarks are amortised on a straight-line basis over the expected useful life.

Depreciation of investments in software purchased to improve and streamline routines, processes, etc., is amortised on a straight-line basis over a period of 5 years. Software upgrades and updates are written off immediately.

##### **Tangible fixed assets**

Plant and equipment are measured at acquisition cost less accumulated depreciation. Land is not depreciated.

Interest related to loans financing production of property, plant and equipment and which concerns the production period is recognised in the income statement.

Depreciation on buildings and installations is provided on a straight-line basis over the estimated useful lives of the assets, which has been fixed at 25 years.

Plant and machinery as well as vehicles, fixtures, fittings, tools and equipment are depreciated over 5 years with the following profile in per cent of the cost value:

## **ACCOUNTING POLICIES**

Year 1: 40.0%  
Year 2: 24.0%  
Year 3: 14.4%  
Year 4: 10.8%  
Year 5: 10.8%

Desktop computers and laptops are depreciated over 3 years using the straight-line method.

### **Decrease in value of assets**

The accounting values of tangible as well as intangible fixed assets are calculated annually for indications of decrease in value beyond that which is expressed by depreciation. If there are indications of decrease in value, impairment tests are made of each individual asset or group of assets. The assets are written down to recoverable amount if this is lower than the accounting value.

### **Inventories**

Inventories are recognised at cost price, using the FIFO method or net realisation value, if lower.

The cost of goods for resale, raw materials and other materials comprises the purchase price plus delivery costs. The cost of manufactured goods and work in progress comprises the costs for raw materials, other materials and direct labour costs as well as indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs for maintenance of and depreciation on machinery, factory buildings and equipment applied in the production process as well as costs for factory administration and management.

The net realisable value of inventories is calculated as the selling price less cost of completion and costs for executing the sale, and it is fixed in consideration of negotiability, obsolescence and the development in expected sales price.

### **Receivables**

Receivables are measured at amortised cost. Writing down for anticipated uncollectibles is carried out.

### **Prepayments**

Prepayments recognised under assets comprise incurred costs related to the following financial year.

### **Equity – dividend**

Proposed dividend is recognised as a liability in the accounts when approved at the General Meeting (the time of announcement). The expected dividend is shown as a separate item under equity.

### **Deferred tax and corporation tax**

Provision for deferred tax is calculated according to the debt method on the basis of all temporary differences between the tax and accounting values of assets and liabilities. Deferred tax is measured on the basis of the planned use of the asset as well as the planned settlement of the obligation.

Deferred tax is measured on the basis of the tax rules and tax rates in force when the deferred tax is expected to become current tax, based on the legislation which applies on the balance sheet date. Changes to deferred tax based on changed tax rates are recognised in the income statement.

Corporation tax is the tax expected to be liable on the year's taxable earnings calculated in accordance with the tax law, less tax on account.

### **Liabilities**

Other liabilities, comprising trade payables and other payables, are measured at amortised cost, which essentially equals the nominal value.

## ACCOUNTING POLICIES

### Cash flow statement:

With reference to the Danish Financial Statements Act art. 86, paragraph 4, the company has refrained from presenting a cash flow statement.

### Financial ratios:

Financial ratios have been prepared in accordance with the 2010 guidelines of the Danish Society of Financial Analysts concerning the calculation of financial ratios.

The financial ratios mentioned in the section "Key figures" have been calculated as follows:

Profit ratio	$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$
Return on invested capital	$\frac{\text{Operating profit} \times 100}{\text{Average invested capital}}$
Gross margin ratio	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Return on equity	$\frac{\text{Net profit} \times 100}{\text{Average equity}}$
Equity ratio	$\frac{\text{Equity (end of period)} \times 100}{\text{Liabilities, total (end of period)}}$

# INCOME STATEMENT FOR THE PERIOD 1 APRIL 2017 - 31 MARCH 2018

DKK '000	Note	KYOCERA UNIMERCO Tooling A/S	
		2017/18	2016/17
<b>Revenue</b>	1	309.062	305.847
Production expenses	2	<u>-224.416</u>	<u>-219.948</u>
<b>Gross profit</b>		<b>84.646</b>	<b>85.899</b>
Distribution expenses	2	-43.837	-42.534
Administrative expenses	2,3	-16.461	-18.651
Other operating income		2.354	1.364
Other operating expenses		<u>0</u>	<u>-31</u>
<b>Operating profit</b>		<b>26.702</b>	<b>26.047</b>
Financial income	4	112	1.429
Financial expenses	5	<u>-22</u>	<u>-147</u>
<b>Earnings before tax</b>		<b>26.792</b>	<b>27.329</b>
Tax on profit for the year	6	<u>-6.162</u>	<u>-6.095</u>
<b>Net profit</b>		<b><u>20.630</u></b>	<b><u>21.234</u></b>

## BALANCE SHEET AS OF 31 MARCH 2018

DKK '000	Note	KYOCERA UNIMERCO Tooling A/S	
		31/03/2018	31/03/2017
<u>ASSETS</u>			
Acquired rights		7.653	10.467
Intangible fixed assets in progress		101	158
<b>Intangible fixed assets</b>	7	<b>7.754</b>	<b>10.625</b>
Land and buildings		51.444	53.241
Plant and machinery		19.117	15.877
Other fixtures and fittings, tools and equipment		5.278	5.246
Tangible fixed assets in progress		7.387	468
<b>Tangible fixed assets</b>	8	<b>83.226</b>	<b>74.832</b>
<b>FIXED ASSETS</b>		<b>90.980</b>	<b>85.457</b>
Raw materials and consumables		12.678	12.614
Work in progress		4.734	3.550
Manufactured goods and goods for resale		17.762	15.646
<b>Inventories</b>		<b>35.174</b>	<b>31.810</b>
Trade receivables		21.455	24.156
Receivables from group enterprises		57.572	62.204
Other receivables		61	4.038
Prepayments	9	4.091	3.269
<b>Receivables</b>		<b>83.179</b>	<b>93.667</b>
<b>Cash at bank and in hand</b>		<b>13.526</b>	<b>13.522</b>
<b>CURRENT ASSETS</b>		<b>131.879</b>	<b>138.999</b>
<b>ASSETS TOTAL</b>		<b>222.859</b>	<b>224.456</b>

## BALANCE SHEET AS OF 31 MARCH 2018

DKK '000	Note	KYOCERA UNIMERCO Tooling A/S	
		31/03/2018	31/03/2017
<b><u>LIABILITIES</u></b>			
Share capital		40.000	40.000
Retained earnings		117.035	105.405
Proposed dividend		9.000	21.000
<b>EQUITY</b>	10	<b>166.035</b>	<b>166.405</b>
Provision for deferred tax	11	9.771	9.719
<b>PROVISIONS</b>		<b>9.771</b>	<b>9.719</b>
Payables to group enterprises		728	109
Trade payables		14.814	17.623
Corporation tax		5.859	3.822
Other payables		25.652	26.778
<b>Current liabilities</b>		<b>47.053</b>	<b>48.332</b>
<b>LIABILITIES</b>		<b>47.053</b>	<b>48.332</b>
<b>LIABILITIES TOTAL</b>		<b>222.859</b>	<b>224.456</b>
Contingent liabilities and other financial obligations	12		
Related parties	13		
Events after reporting period	14		

## STATEMENT OF CHANGES IN EQUITY

DKK '000	Share capital	Retained profit	Proposed dividend	Total
Equity at 1 April 2016	40.000	105.171	0	145.171
Dividend paid	0	0	0	0
Net profit for the year	0	234	21.000	21.234
<b>Equity at 31 March 2017</b>	<b>40.000</b>	<b>105.405</b>	<b>21.000</b>	<b>166.405</b>
Dividend paid	0	0	-21.000	-21.000
Net profit for the year	0	11.630	9.000	20.630
<b>Equity at 31 March 2018</b>	<b>40.000</b>	<b>117.035</b>	<b>9.000</b>	<b>166.035</b>

The share capital of the company is DKK 40.000 thousand divided into shares of DKK 1.000 or multiples thereof.



## NOTES

DKK '000	KYOCERA UNIMERCO Tooling A/S	
	2017/18	2016/17
<b>1 <u>Revenue</u></b>		
Domestic market	129.990	131.402
Exports	179.072	174.445
	<b>309.062</b>	<b>305.847</b>
<b>2 <u>Staff</u></b>		
Wages and salaries	124.200	120.105
Pensions	8.252	8.106
Other social security expenses	1.934	2.054
	<b>134.386</b>	<b>130.265</b>
Salaries for the company's Management and fees for the Board have been charged to income statement of KYOCERA UNIMERCO A/S.		
Average number of employees	<b>293</b>	<b>296</b>
<b>3 <u>Fee for auditor appointed by the General Meeting</u></b>		
With reference to section 96 subsection 3 of the Danish Financial Statements Act, no information is given on the fee for the auditor appointed by the General Meeting.		
<b>4 <u>Financial income</u></b>		
Interest received from group enterprises	2	23
Other financial income	110	1.406
	<b>112</b>	<b>1.429</b>
<b>5 <u>Financial expenses</u></b>		
Interest paid to group enterprises	0	21
Other financial expenses	22	126
	<b>22</b>	<b>147</b>

## NOTES

DKK '000	KYOCERA UNIMERCO Tooling A/S	
	2017/18	2016/17
<b>6 Tax on profit for the year</b>		
Current tax for the year	5.893	3.850
Tax relating to previous years	296	120
Change in deferred tax for the year	-27	2.125
	<b>6.162</b>	<b>6.095</b>
<b>Tax on profit for the year can be specified as:</b>		
Tax on profit for the year	5.894	6.012
<b>Tax effect of:</b>		
Non-deductible income	-45	-59
Non-deductible expenses	17	22
Adjustment of tax relating to previous years	296	120
	<b>6.162</b>	<b>6.095</b>

## NOTES

### 7 Intangible fixed assets

DKK '000	Acquired rights	Intangible fixed assets in progress	Total
Cost at 1 April 2017	48.308	158	48.466
Additions for the year	1.397	98	1.495
Disposals for the year	-2.050	-155	-2.205
<b>Cost at 31 March 2018</b>	<b>47.655</b>	<b>101</b>	<b>47.756</b>
Amortisation at 1 April 2017	37.841	0	37.841
Amortisation for the year	4.211	0	4.211
Reversal of amortisation of sold assets	-2.050	0	-2.050
<b>Amortisation at 31 March 2018</b>	<b>40.002</b>	<b>0</b>	<b>40.002</b>
<b>Carrying amount at 31 March 2018</b>	<b>7.653</b>	<b>101</b>	<b>7.754</b>
Carrying amount at 31 March 2017	10.467	158	10.625

## NOTES

### 8 Tangible fixed assets

DKK '000	Land and buildings	Plant and machinery	Other equipment	Tangible fixed assets in progress	Total
Cost at 1 April 2017	120.157	205.858	31.465	468	357.948
Additions for the year	852	12.091	2.927	7.330	23.200
Disposals for the year	0	-11.906	-2.332	-411	-14.649
<b>Cost at 31 March 2018</b>	<b>121.009</b>	<b>206.043</b>	<b>32.060</b>	<b>7.387</b>	<b>366.499</b>
Depreciation at 1 April 2017	66.916	189.981	26.219	0	283.116
Depreciation for the year	2.649	8.626	2.851	0	14.126
Reversal of depreciation of sold assets	0	-11.681	-2.288	0	-13.969
<b>Depreciation at 31 March 2018</b>	<b>69.565</b>	<b>186.926</b>	<b>26.782</b>	<b>0</b>	<b>283.273</b>
<b>Carrying amount at 31 March 2018</b>	<b>51.444</b>	<b>19.117</b>	<b>5.278</b>	<b>7.387</b>	<b>83.226</b>
Carrying amount at 31 March 2017	53.241	15.877	5.246	468	74.832

### 9 Prepayments

Prepayments mainly comprise prepaid software subscriptions and insurance premiums.

### 10 Proposed distribution of profit

	KYOCERA UNIMERCO Tooling A/S	
	31/03/2018	31/03/2017
Proposed dividend for the year	9.000	21.000
Retained earnings	11.630	234
	<b>20.630</b>	<b>21.234</b>

## NOTES

DKK '000	KYOCERA UNIMERCO Tooling A/S	
	31/03/2018	31/03/2017
<b>11 <u>Provision for deferred tax</u></b>		
Deferred tax at 1 April	9.719	7.594
Deferred tax on profit for the year	-27	2.125
Adjustment of deferred tax relating to previous years	79	0
<b>Carrying amount at 31 March</b>	<b>9.771</b>	<b>9.719</b>
<b>Deferred tax relates to:</b>		
Fixed assets	8.577	8.718
Current assets	1.194	1.001
<b>Carrying amount at 31 March</b>	<b>9.771</b>	<b>9.719</b>
<b>12 <u>Contingent liabilities and other financial obligations</u></b>		
<b>Contractual obligations</b>		
The company has entered into agreements concerning delivery of plant, machinery and software at a value of DKK 19.086 thousand. Of this, DKK 7.135 thousand has been prepaid.		
<b>Rental and lease commitments</b>		
The company has entered into operational lease commitments for DKK 1.931 thousand, payable within the coming year. The lease commitments amount to a total of DKK 4.383 thousand.		
Furthermore, the company has entered into tenancy agreements to rent warehouse facilities. The annual rent amounts to DKK 174 thousand.		
<b>Contingent liabilities</b>		
The Danish companies of the group are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of KYOCERA UNIMERCO A/S, which is the management company for joint taxation purposes. Moreover, the Danish companies of the group are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.		
<b>13 <u>Related parties</u></b>		
The company is owned 100% by KYOCERA UNIMERCO A/S, Drejervej 2, 7451 Sunds, which prepares the consolidated financial statements for the group of which KYOCERA UNIMERCO Tooling A/S is a part. The ultimate Parent Company in which the Company is included as a subsidiary is Kyocera Corporation, Kyoto, Japan. All transactions with related parties have been carried out at arm's length principle.		
<b>14 <u>Events after reporting period</u></b>		
No events have occurred after the reporting period of importance to the financial statements.		