

## Summary of Consolidated Financial Statements for the Third Quarter Fiscal 2020 (JPGAAP)

January 29, 2021

### Tokuyama Corporation

(URL <https://www.tokuyama.co.jp/eng/>)

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Stock exchange listings:

Tokyo

Local Code :

4043

Scheduled date of dividends payout : -

Preparation of supplementary quarterly explanatory materials: Yes

Quarterly business results IR briefing to be held: Yes (for institutional investors and analysts)

### 1. Consolidated results for fiscal third quarter ended Dec. 31, 2020 (Apr. 1, 2020 – Dec. 31, 2020)

#### (1) Performance

Note: All amounts are rounded down to the nearest million yen.

	Net sales		Operating profit		Ordinary profit	
	(millions of yen)	Year-on-year change [%]	(millions of yen)	Year-on-year change [%]	(millions of yen)	Year-on-year change [%]
Third Quarter Fiscal 2020	220,923	(6.6)	21,700	(12.3)	21,181	(10.9)
Third Quarter Fiscal 2019	236,543	(0.7)	24,754	(2.8)	23,780	0.4

(Note) Comprehensive income: 3rd Q FY20: 21,991 million yen [19.3%] 3rd Q FY19: 18,426 million yen [10.7%]

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share
	(millions of yen)	Year-on-year change [%]	(yen)	(yen)
Third Quarter Fiscal 2020	19,318	7.3	278.14	-
Third Quarter Fiscal 2019	18,011	(8.0)	259.32	-

#### (2) Consolidated financial position

	Total assets (millions of yen)	Net assets (millions of yen)	Shareholders' Equity ratio (%)	Net assets per share (yen)
December 31, 2020	374,021	196,860	49.6	2,672.62
March 31, 2020	383,447	180,429	44.0	2,431.21

(Reference) Shareholders' equity: Dec. 31, 2020: 185,630 million yen Mar. 31, 2020: 168,861 million yen

### 2. Dividends

(Period)	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Total
Fiscal 2019, ended Mar 31, 2020	(yen) -	(yen) 35.00	(yen) -	(yen) 35.00	(yen) 70.00
Fiscal 2020, ending Mar 31, 2021	-	35.00	-		
Fiscal 2020 (Forecast)				35.00	70.00

(Note) Revision of the latest dividends forecast: No

### 3. Consolidated performance forecast for fiscal 2020 (April 1, 2020 - March 31, 2021)

(% indicates the rate of change over the corresponding previous periods respectively)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(millions of yen)	[%]	(yen)
Fiscal 2020	300,000	(5.1)	30,000	(12.5)	30,000	(8.6)	26,000	30.4	374.34

(Note) Revision of the latest consolidated performance forecast: Yes

\* The Company announced the release, "Notice concerning Revision of Performance Forecast for Fiscal 2020," on Jan. 29, 2021.

**\*Notes**

**(1) Changes in significant subsidiaries during this period**

: Yes

**Addition to the scope of consolidation: -**

**Reduction from the scope of consolidation: 2**

(Company Name: Tianjin Tokuyama Plastics Co., Ltd. and Tokuyama Logistics Corporation)

(Note) For more details, please refer to “2. Quarterly Consolidated Financial Statements and (4) Notes on Quarterly Consolidated Financial Statements (Changes in significant subsidiaries during this period)” on page 11 of the Accompanying Materials to this Summary of Quarterly Consolidated Financial Statement.

**(2) Application of accounting methods specific to the preparation of the quarterly consolidated financial statements**

: Yes

(Note) For more details, please refer to “2. Quarterly Consolidated Financial Statements and (4) Notes on Quarterly Consolidated Financial Statements (Application of accounting methods specific to the preparation of the quarterly consolidated financial statements)” on page 11 of the Accompanying Materials to this Summary of Quarterly Consolidated Financial Statement.

**(3) Changes of accounting policies, changes in accounting estimates, and retrospective restatements**

- |  |    |
|--|----|
| i. Changes of accounting policies by revision of accounting standards: | No |
| ii. Changes of accounting policies other than the above:               | No |
| iii. Changes in accounting estimates:                                  | No |
| iv. Retrospective restatements:  | No |

**(4) Number of shares issued (in common stock)**

i. Number of shares issued at end of period (including treasury stock):	3rd Quarter Fiscal 2020:	69,934,375	Fiscal 2019:	69,934,375
ii. Number of treasury stock at end of period:	3rd Quarter Fiscal 2020:	477,918	Fiscal 2019:	478,862
iii. Average number of shares over period:	3rd Quarter Fiscal 2020:	69,456,421	3rd Quarter Fiscal 2019:	69,455,177

(Note) Notice on the implementation of quarterly review procedures

This summary of quarterly consolidated financial statements is not subject to quarterly review procedures in line with the Financial Instruments and Exchange Act. At the point of disclosure of this summary of quarterly consolidated financial statements, the quarterly consolidated financial statements review procedures in line with the Financial Instruments and Exchange Act are underway.

(Note) Cautions pertaining to appropriate use of performance forecast and other particular items

(Cautions related to Forward-looking statement)

The performance forecast and other forward-looking statements contained in this material have been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.

(Access to supplementary explanations on business results)

The Company also supplementary materials “Presentation for IR Meeting” through TDnet at the same date.

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## 1. Qualitative information on consolidated results for this quarter

### (1) Explanation concerning business results

Consolidated results for the third quarter fiscal 2020 (April 1, 2020 - December 31, 2020) are summarized as follows:

(Unit: Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
<b>Third Quarter Fiscal 2020</b>	<b>220,923</b>	<b>21,700</b>	<b>21,181</b>	<b>19,318</b>
Third Quarter Fiscal 2019	236,543	24,754	23,780	18,011
Rate of change (%)	(6.6)	(12.3)	(10.9)	7.3

#### Net sales

Consolidated net sales decreased 6.6%, or ¥ 15,620 million compared with the corresponding period of the previous year, to ¥ 220,923 million. Despite firm sales of semiconductor-related products, this decrease was largely attributable to the impact of deconsolidation of Sun • Tox Co., Ltd., and the novel coronavirus (COVID-19) pandemic, which triggered the drop in sales volumes of caustic soda in Japan and weak petrochemical product sales prices.

#### Cost of sales

Cost of sales decreased 7.4%, or ¥ 12,192 million compared with the corresponding period of the previous year, to ¥ 151,563 million. This was due mainly to a downturn in raw material and fuel costs.

#### SG&A expenses

SG&A expenses decreased 0.8%, or ¥373 million compared with the corresponding period of the previous year, to ¥ 47,659 million. While R&D and other expenses increased, this decrease largely reflected the drop in such operating costs as travel expenses due to the COVID-19 pandemic and decrease in logistics costs by weak sales volumes.

**Operating profit**

Operating profit decreased 12.3 %, or ¥ 3,054 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 21,700 million. Despite lower raw material and fuel costs, this decrease in operating profit was mainly due to the impact of COVID-19, which triggered a drop in sales volumes of such products as caustic soda.

**Non-operating income/expenses, Ordinary profit**

Non-operating income/expenses improved by ¥455 million compared with the corresponding period of the previous consolidated fiscal year.

As a result of the above, ordinary profit decreased 10.9%, or ¥ 2,598 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 21,181 million.

**Extraordinary income/losses, Profit before income taxes, Profit, Profit attributable to owners of parent**

Extraordinary income/losses improved by ¥883 million compared with the corresponding period of the previous consolidated fiscal year.

As a result of the above, profit before income taxes decreased 7.3%, or ¥ 1,715 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 21,675 million.

Profit after deducting income taxes calculated in an appropriate way increased 5.6%, or ¥ 1,041 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 19,723 million.

Profit attributable to owners of parent increased 7.3%, or ¥1,307 million compared with the corresponding period of the previous consolidated fiscal year, to ¥ 19,318 million.

(Operating results by segment)

Sales

(Unit: Millions of yen)

	Reportable segment				Others	Total	Adjustment	Figures in quarterly consolidated profit statement
	Chemicals	Specialty Products	Cement	Life & Amenity				
<b>Third Quarter Fiscal 2020</b>	<b>61,033</b>	<b>41,051</b>	<b>68,307</b>	<b>34,093</b>	<b>40,539</b>	<b>245,025</b>	<b>(24,102)</b>	<b>220,923</b>
Third Quarter Fiscal 2019	71,165	38,452	66,418	42,341	49,167	267,545	(31,001)	236,543
Rate of change (%)	(14.2)	6.8	2.8	(19.5)	(17.5)	(8.4)	-	(6.6)

Operating profit

(Unit: Millions of yen)

	Reportable segment				Others	Total	Adjustment	Figures in quarterly consolidated profit statement
	Chemicals	Specialty Products	Cement	Life & Amenity				
<b>Third Quarter Fiscal 2020</b>	<b>9,387</b>	<b>4,550</b>	<b>3,880</b>	<b>1,550</b>	<b>4,590</b>	<b>23,958</b>	<b>(2,258)</b>	<b>21,700</b>
Third Quarter Fiscal 2019	11,785	4,474	2,629	2,324	4,867	26,081	(1,326)	24,754
Rate of change (%)	(20.3)	1.7	47.6	(33.3)	(5.7)	(8.1)	-	(12.3)

(Note) Sales and operating profit in each segment include inter-segment transactions.

## Chemicals

Caustic soda earnings declined. This downturn in earnings was largely due to the drop in sales volumes in Japan owing to the spread of COVID-19 and a deterioration in overseas market conditions.

Earnings from vinyl chloride monomer and vinyl chloride resin increased due to the upturn in export prices.

Soda ash earnings declined. This downturn in earnings was largely due to the drop in sales volumes in Japan owing to the spread of COVID-19.

As a result of the above, segment net sales decreased 14.2% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 61,033 million and operating profit decreased 20.3% to ¥ 9,387 million. The segment reported lower earnings on lower sales.

## **Specialty Products**

With regard to Semiconductor-grade polycrystalline silicon, earnings increased owing to firm sales on the back of the introduction of 5G and an increase in remote work.

Earnings from high-purity chemicals for electronic manufacturing increased. This was due to an increase in the volume mainly overseas.

Earnings of fumed silica decreased largely due to the drop in sales volumes owing to the spread of COVID-19.

As a result of the above, segment net sales increased 6.8% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 41,051 million and operating profit increased 1.7% to ¥ 4,550 million. The segment reported higher earnings on higher sales.

## **Cement**

Cement earnings increased. This upswing in earnings reflected the limited impact of COVID-19 on domestic shipments and successful steps to reduce manufacturing costs on the back of a decline in raw material prices.

As a result of the above, segment net sales increased 2.8% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 68,307 million and operating profit increased 47.6% to ¥ 3,880 million. The segment reported higher earnings on higher sales.

## **Life & Amenity**

Earnings from plastic lens-related materials decreased as a result of COVID-19, which pushed down export volumes of photochromic materials for eyeglass lenses to Europe and the United States.

Dental materials earnings increased. Despite a downturn in export volumes to Europe and the United States impacted by the spread of COVID-19, this increase in earnings was mainly attributable to the drop in advertising expenses.

Sales of medical diagnosis systems decreased. This largely reflected a decline in sales volumes of laboratory information systems and laboratory automation systems.

In polyolefin film, Sun • Tox Co., Ltd. was removed from the Company's scope of consolidation effective from the third quarter of the fiscal year under review. This reflected the transfer of a portion of the company's shares.

As a result of the above, segment net sales decreased 19.5% compared with the corresponding period of the previous consolidated fiscal year, to ¥ 34,093 million and operating profit decreased 33.3% to ¥1,550 million. The segment reported lower earnings on lower sales.

## **(2) Explanation concerning financial position**

### **(Status of assets, liabilities and net assets)**

As of December 31, 2020, total assets amounted to ¥374,021 million, a decrease of ¥ 9,426 million compared with those as of March 31, 2020.

This decrease primarily reflects the decrease of notes and accounts receivable – trade, property, plant and equipment, cash and deposits, raw materials and supplies, and merchandise and finished goods of ¥5,927 million, ¥5,237 million, ¥4,673 million, ¥2,172 million and ¥1,943 million, despite the increase of investment securities due to mark-to-market valuation of investment securities and other current assets ¥6,845 million and ¥3,457 million, respectively. Due to the deconsolidation of Sun • Tox Co., Ltd., asset decreased by ¥13,051 million.

Total liabilities amounted to ¥ 177,160 million, down ¥ 25,856 million compared with those as of March 31, 2020.

The principal factor is the decrease in long-term loans payable and current portion of long-term loans payable, notes and accounts payable-trade, provision for bonuses, income taxes payable and other current liabilities of ¥ 15,754 million, ¥4,654 million, ¥2,038 million, ¥1,591 million and ¥1,512 million, respectively. Due to the deconsolidation of Sun • Tox Co., Ltd., liabilities decreased by ¥8,844 million.

Net assets totaled ¥196,860 million, an increase of ¥16,430 million compared with those as of March 31, 2020.

This mainly reflected the increase of retained earnings primarily due to posting profit attributable and valuation difference on available-for-sale securities of ¥14,450 million and ¥1,923 million respectively.

## **(3) Explanation concerning information related to future prediction such as consolidated performance forecast**

Based on the current performance trend, the Company has revised the performance forecast, announced on October 28, 2020. For further details, please see the Company's news release, "Notice concerning Revision of Performance Forecast for Fiscal 2020," dated January 29, 2021.

The performance forecast has been prepared on the basis of information available at this point and certain assumptions which are judged to be rational, and may be substantially different from the actual performance because of various factors that may arise from now on.



## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	3/31/2020	12/31/2020
<b>Assets</b>		
Current assets		
Cash and deposits	81,524	76,850
Notes and accounts receivable - trade	72,929	67,001
Lease receivables	34	87
Merchandise and finished goods	18,506	16,562
Work in process	10,051	10,754
Raw materials and supplies	16,088	13,916
Other	4,823	8,280
Allowance for doubtful accounts	(108)	(105)
Total current assets	203,849	193,348
Non-current assets		
Property, plant and equipment		
Buildings and structures	108,636	104,035
Accumulated depreciation	(78,109)	(75,815)
Buildings and structures, net	30,526	28,219
Machinery, equipment and vehicles	465,761	455,681
Accumulated depreciation	(420,631)	(412,159)
Machinery, equipment and vehicles, net	45,129	43,522
Tools, furniture and fixtures	22,488	22,405
Accumulated depreciation	(20,024)	(19,939)
Tools, furniture and fixtures, net	2,463	2,465
Land	33,363	31,688
Leased assets	5,011	5,943
Accumulated depreciation	(2,370)	(2,411)
Leased assets, net	2,641	3,531
Construction in progress	9,067	8,527
Total property, plant and equipment	123,192	117,955
Intangible assets		
Goodwill	3	91
Leased assets	59	44
Other	1,594	1,600
Total intangible assets	1,657	1,735
Investments and other assets		
Investment securities	19,385	26,230
Long-term loans receivable	2,302	2,182
Deferred tax assets	19,164	18,010
Retirement benefit asset	9,569	9,754
Other	4,382	4,864
Allowance for doubtful accounts	(56)	(60)
Total investments and other assets	54,747	60,981
Total non-current assets	179,597	180,673
<b>Total assets</b>	<b>383,447</b>	<b>374,021</b>

(Millions of yen)

	3/31/2020	12/31/2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	42,795	38,141
Short-term borrowings	3,082	1,922
Current portion of long-term borrowings	16,106	9,910
Lease obligations	870	1,109
Income taxes payable	2,896	1,305
Provision for bonuses	3,175	1,136
Provision for share-based remuneration	—	114
Provision for repairs	5,159	4,086
Provision for decommissioning and removal	439	689
Provision for product warranties	84	46
Provision for environmental measures	—	13
Provision for loss on compensation for damage	84	168
Other	20,545	19,033
Total current liabilities	95,241	77,680
Non-current liabilities		
Long-term borrowings	94,255	84,696
Lease obligations	2,028	2,711
Deferred tax liabilities	204	92
Provision for retirement benefits for directors (and other officers)	239	205
Provision for share-based remuneration	86	—
Provision for repairs	944	1,617
Provision for decommissioning and removal	529	1,264
Allowance for loss on compensation for building materials	158	132
Provision for environmental measures	196	145
Retirement benefit liability	2,277	1,853
Asset retirement obligations	6	56
Other	6,848	6,704
Total non-current liabilities	107,775	99,480
<b>Total liabilities</b>	<b>203,017</b>	<b>177,160</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,000	10,000
Capital surplus	20,018	20,072
Retained earnings	137,665	152,116
Treasury shares	(1,809)	(1,804)
Total shareholders' equity	165,874	180,384
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	332	2,255
Deferred gains or losses on hedges	(35)	(20)
Foreign currency translation adjustment	703	991
Remeasurements of defined benefit plans	1,986	2,019
Total accumulated other comprehensive income	2,986	5,246
Non-controlling interests	11,568	11,229
<b>Total net assets</b>	<b>180,429</b>	<b>196,860</b>
<b>Total liabilities and net assets</b>	<b>383,447</b>	<b>374,021</b>

## (2) Quarterly Consolidated Statements of Income

(Millions of yen)

	Q3 FY2019 YTD	Q3 FY2020 YTD
Net sales	236,543	220,923
Cost of sales	163,756	151,563
Gross profit	72,787	69,359
Selling, general and administrative expenses		
Selling expenses	31,826	30,299
General and administrative expenses	16,206	17,359
Total selling, general and administrative expenses	48,032	47,659
Operating profit	24,754	21,700
Non-operating income		
Interest income	111	64
Dividend income	345	381
Share of profit of entities accounted for using equity method	674	735
Outsourcing service income	578	592
Equipment sale income	—	575
Other	1,622	1,515
Total non-operating income	3,332	3,865
Non-operating expenses		
Interest expenses	1,279	1,161
Fiduciary obligation expenses	613	532
Provision for decommissioning and removals	572	466
Equipment cost of sales	—	562
Other	1,840	1,660
Total non-operating expenses	4,306	4,384
Ordinary profit	23,780	21,181
Extraordinary income		
Gain on sales of non-current assets	20	94
Gain on sales of investment securities	4	5
Gain on sales of shares of subsidiaries and associates	—	746
Subsidy income	13	90
Gain on insurance claims	84	191
Gain on sales of patent right and other	—	1,477
Gain on liquidation of subsidiaries and associates	—	197
Gain on step acquisitions	—	125
Other	—	54
Total extraordinary income	122	2,983
Extraordinary losses		
Loss on sales of non-current assets	16	—
Impairment loss	—	825
Loss on disaster	77	101
Loss on tax purpose reduction entry of non-current assets	1	—
Loss on disposal of non-current assets	414	488
Loss on sales of investment securities	1	—
Provision for decommissioning and removals	—	858
Other	—	215
Total extraordinary losses	511	2,489
Profit before income taxes	23,390	21,675
Income taxes	4,708	1,952
Profit	18,682	19,723
Profit attributable to non-controlling interests	670	404
Profit attributable to owners of parent	18,011	19,318

### (3) Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	Q3 FY2019 YTD	Q3 FY2020 YTD
Profit	18,682	19,723
Other comprehensive income		
Valuation difference on available-for-sale securities	566	1,928
Deferred gains or losses on hedges	24	15
Foreign currency translation adjustment	(429)	387
Remeasurements of defined benefit plans, net of tax	(212)	9
Share of other comprehensive income of entities accounted for using equity method	(205)	(73)
Total other comprehensive income	(255)	2,268
Comprehensive income	18,426	21,991
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	17,753	21,578
Comprehensive income attributable to non-controlling interests	673	413

## **(4) Notes on Quarterly Consolidated Financial Statements**

### **(Going Concern Assumption)**

Not applicable.

### **(Changes in significant subsidiaries during this period)**

The Company's specified subsidiary, Tianjin Tokuyama Plastics Co., Ltd., has been removed from the Company's consolidation during the second quarter consolidated accounting period for the consolidated fiscal year ending March 31, 2021 due to completion of liquidation as of July 17 2020.

The Company's specified subsidiary, Tokuyama Logistics Corporation was dissolved on October 1, 2020 following an absorption-type merger in which TOKUYAMA KAIRIKU UNSO K.K. was the surviving company and has been removed from the Company's consolidation during the third quarter consolidated accounting period for the consolidated fiscal year ending March 31, 2021.

### **(Application of accounting methods specific to the preparation of the quarterly consolidated financial statements)**

(Calculation of Tax Expense)

The Company rationally estimated the effective tax rate after the application of accounting policy for deferred tax, which was applied to the profit/loss before income tax for the consolidated fiscal year under review including the third quarter consolidated accounting period for the consolidated fiscal year ending March 31, 2021, and calculated the tax expense by multiplying the estimated effective tax rate to the profit/loss before income tax. However, if the application of said estimated effective tax rate reduces the rationality of the calculation of tax expense, the Company applies the effective statutory tax rate.

### **(Additional Information)**

(Application of tax effect accounting associated with the transition from the consolidated taxation system to the group tax sharing system)

With regard to the transition to the group tax sharing system established under the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 8 of 2020) and the items for which the nonconsolidated taxation system was revised in line with the transition to the group tax sharing system, pursuant to Paragraph 3 of the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (ASBJ PITF No. 39, issued on March 31, 2020), the Company and certain domestic consolidated subsidiaries did not apply the provision of Paragraph 44 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, issued on February 16, 2018), and the amounts of deferred tax assets and deferred tax liabilities are based on the provisions of the tax laws before the revision.

## (5) Segment information

### Third Quarter Fiscal 2019 (April 1, 2019 –December 31, 2019)

#### 1. Information on sales and profit by reportable segment

(Millions of yen)

	Reportable segments				Others*1	Total	Adjustment *2	Figures in quarterly consolidated income statement*3
	Chemicals	Specialty Products	Cement	Life & Amenity				
Sales								
Sales to customers	70,399	30,044	65,958	40,984	29,156	236,543	-	236,543
Inter-segment sales/transfer	766	8,408	459	1,357	20,010	31,001	(31,001)	-
Total	71,165	38,452	66,418	42,341	49,167	267,545	(31,001)	236,543
Segment profit	11,785	4,474	2,629	2,324	4,867	26,081	(1,326)	24,754

\*1 The “Others” segment comprises businesses other than those of the reportable segments. Specifically, the segment includes overseas sales companies, a distribution company, a real estate business, etc.

\*2 The segment profit adjustment amount consists mainly of basic R&D expenses that are not allocable to a specific reportable segment and the amount of inter-segment eliminations.

\*3 With regard to segment profit, operating profit in the quarterly consolidated statement of profit has been calculated by making an adjustment to the sum total of the reportable segments’ profit and the “Others” segment’s profit.

(Information on amortization of goodwill and unamortized balance by reportable segment)

Not applicable.

### Third Quarter Fiscal 2020 (April 1, 2020– December 31, 2020)

#### 1. Information on sales and profit by reportable segment

(Millions of yen)

	Reportable segments				Others*1	Total	Adjustment *2	Figures in quarterly consolidated profit statement*3
	Chemicals	Specialty Products	Cement	Life & Amenity				
Sales								
Sales to customers	60,424	32,354	67,833	33,010	27,301	220,923	-	220,923
Inter-segment sales/transfer	609	8,696	474	1,083	13,238	24,102	(24,102)	-
Total	61,033	41,051	68,307	34,093	40,539	245,025	(24,102)	220,923
Segment profit	9,387	4,550	3,880	1,550	4,590	23,958	(2,258)	21,700

\*1 The “Others” segment comprises businesses other than those of the reportable segments. Specifically, the segment includes overseas sales companies, a distribution company, a real estate business, etc.

\*2 The segment profit adjustment amount consists mainly of basic R&D expenses that are not allocable to a specific reportable segment and the amount of inter-segment eliminations.

\*3 With regard to segment profit, operating profit in the quarterly consolidated statement of profit has been calculated by making an adjustment to the sum total of the reportable segments’ profit and the “Others” segment’s profit.

(Information on amortization of goodwill and unamortized balance by reportable segment)

Not applicable.