

Note: This document has been translated from the Japanese original for reference purpose only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

November 8, 2023

Consolidated Business Results for the Second Quarter Ended September 30, 2023 (Japan GAAP)

Company: **FUJITEC CO., LTD.** Listed on TSE
 Stock Code: 6406 URL: <https://www.fujitec.com>
 Representative: Masayoshi Harada, President and CEO TEL: +81-72-622-8151
 Contact: Kosuke Sato, Director, Senior Executive Operating Officer, General Manager of Finance HQ
 Expected date of filing of quarterly report: November 13, 2023 Expected starting date of dividend payment: December 1, 2023
 Supplementary materials for the quarterly business results: Yes Presentation of the quarterly business results: No

(Amounts less than one million yen are rounded down)

1. Consolidated business results for the second quarter ended September 30, 2023

(April 1, 2023 to September 30, 2023)

(1) Operating results (cumulative) (% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2023	107,024	14.8	8,393	74.5	10,714	64.7	7,722	68.0
September 30, 2022	93,221	7.6	4,810	(42.6)	6,503	(30.9)	4,596	(34.3)

(Note) Comprehensive income — September 30, 2023: 16,408 million yen [(15.4%)], September 30, 2022: 19,402 million yen [38.1%]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2023	99.01	98.96
September 30, 2022	57.61	57.58

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
September 30, 2023	246,025	156,945	56.9
March 31, 2023	230,098	144,118	55.6

(Reference) Shareholders' equity — September 30, 2023: 139,902 million yen, March 31, 2023: 127,897 million yen

2. Cash dividends

	Cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
For the year ended March 31, 2023	—	35.00	—	40.00	75.00
For the year ending March 31, 2024	—	35.00	—	—	—
March 31, 2024 (forecast)	—	—	—	40.00	75.00

(Note) Revision to the dividend forecasts from the latest announcement: No

Cash dividends for March 31, 2023: Regular dividend: 35.00 yen Commemorative dividend: 5.00 yen

3. Forecasts of consolidated business performance for the fiscal year ending March 31, 2024

(April 1, 2023 – March 31, 2024)

(% change from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
For the year ending March 31, 2024	226,000	8.9	13,800	18.8	15,500	16.3	15,600	85.0	199.92

(Note) Revision to the business performance forecasts from the latest announcement: No

4. Other

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries due to changes in the scope of consolidation): No
- (2) Application of specific accounting procedures for quarterly financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements
- 1) Changes in accounting policies due to revision of accounting standards: No
- 2) Changes other than 1), above: No
- 3) Changes in accounting estimates: No
- 4) Retrospective restatements: No

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding at the end of period (including treasury stock):	Six months ended September 30, 2023: 78,900,000 shares	Year ended March 31, 2023: 78,900,000 shares
2) Treasury stock at the end of period:	Six months ended September 30, 2023: 869,295 shares	Year ended March 31, 2023: 927,798 shares
3) Weighted average number of shares outstanding during the period:	Six months ended September 30, 2023: 78,000,121 shares	Six months ended September 30, 2022: 79,783,386 shares

(Note) Treasury stock as of the end of fiscal year ended March 31, 2023 includes 51,400 shares of Fujitec Co., Ltd. stock held by the Trust-Type Employee Shareholding Incentive Plan (E-Ship).

* This summary is not subject to audit procedures by certified public accountants or audit firms

* Explanation regarding appropriate use of business forecasts and other special instructions

The forecasts regarding future performance in this report are based on the information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. These forecasts are not a guarantee of performance. Actual results may differ significantly from forecasts due to a variety of factors.

For more on business forecasts, see *Explanation of Consolidated Earnings Forecasts and Other Forecasts* on P.6 of *Consolidated Business Results for the Second Quarter (Accompanying Materials)*.

Table of Contents

1. Qualitative Information on Quarterly Financial Performance	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position	5
(3) Explanation of Consolidated Earnings Forecasts and Other Forecasts	6
2. Quarterly Consolidated Financial Statements and Notes	7
(1) Quarterly Consolidated Balance Sheets	7
(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income	9
Quarterly Consolidated Statements of Income	
For the six months ended September 30, 2022 and September 30, 2023	9
Quarterly Consolidated Statements of Comprehensive Income	
For the six months ended September 30, 2022 and September 30, 2023	10
(3) Quarterly Consolidated Statements of Cash Flows	11
(4) Notes to the Quarterly Consolidated Financial Statements	12
(Notes Regarding Assumptions of Going Concern)	12
(Notes on Significant Changes in Shareholders' Equity)	12
(Segment and Other Information)	12

1. Qualitative Information on Quarterly Financial Performance

(1) Explanation of Operating Results

Despite differences among countries and demand in the services sector supporting business conditions, the global economy remained uncertain throughout the first half of the current consolidated fiscal year due to tight monetary policies, global inflation, and other factors. In the U.S., inflation and monetary tightening continued. However, the economy remained strong against the backdrop of a favorable employment environment. In China, the pace of recovery subsequent to the lifting of the Zero-COVID policy began to slow, and the real estate market was sluggish due to the impact of the financial difficulties of major developers. In Japan, business confidence in the manufacturing sector continued to be mixed. However, confidence in the non-manufacturing sector remained strong due to consumer spending and inbound demand, resulting in a gradual economic recovery.

In response to these circumstances, the Fujitec Group continues to implement specific measures reflecting the basic strategies of our three-year medium-term management plan Vision24, which we began in fiscal 2022. Under our sales strategy, we endeavored to improve profitability in our domestic market by expanding the sales of standard models and new modernization products, extending our product lineup through a control panel replacement package compatible with large elevators. In the global market, we engaged in regional sales strategies tailored to the characteristics of each region, including growth markets. Fujitec India received orders for 538 elevators in large-scale housing projects. Fujitec Hong Kong received a cumulative total of 10,000 new orders for elevators and escalators. Under product and technology strategies, we are developing and marketing strategic models that match the maturity level in each market, while improving customer convenience through web services for building managers, etc. Under our production and operations strategy, we reduced production costs by through global procurement. We are also working on installation cost innovations in the field, and began the construction of an elevator parts analysis and evaluation center to strengthen quality control and improve reliability. Overseas, Fujitec India endeavored to increase production capacity, including the full-scale operation of a second elevator plant. Under our corporate strategy, we pursued aggressive M&A activities in Japan and overseas in this growth phase of our company, including the acquisition of Stampede Elevator in Canada. In terms of capital policy, we improved capital efficiency by streamlining working capital. From an ESG perspective, we made progress in establishing a sustainability promotion system to contribute to the creation of sustainable societies. We pursue decarbonization and labor savings through the use of articulated trucks, and we formulated occupational health and safety guidelines and a health declaration to balance occupational health and safety with corporate value enhancement. Since last fiscal year's extraordinary general meeting of shareholders, the company has endeavored to establish the highest standard of corporate governance expected of publicly traded companies. Our efforts included the reorganization of the Nomination and Compensation Advisory Committee, the establishment of a third-party committee to address the obstruction of director candidates in connection with shareholder proposals at the extraordinary general meeting of shareholders, and the performance of a compliance review after the conclusion of an investigation conducted by a third-party committee in connection with related-party transactions.

As a result, the Fujitec Group recorded business performance for the six months ended September 30, 2023 as described below.

(Amounts less than one million yen are rounded down)

	FY2022 Q2 (April 1 – September 30, 2022)	FY2023 Q2 (April 1 – September 30, 2023)	Change (%)	Real change, after excluding the impact of foreign exchange (%)
Orders				
Japan	41,803	54,719	30.9	—
East Asia	34,700	31,119	(10.3)	(14.8)
South Asia	11,684	18,180	55.6	42.7
The Americas and Europe	19,041	24,448	28.4	28.6
Subtotal	107,230	128,468	19.8	—
Adjustments	(6,432)	(7,053)	—	—
Total	100,798	121,415	20.5	—
Order backlog				
Japan	80,062	95,940	19.8	—
East Asia	109,770	85,466	(22.1)	(25.9)
South Asia	23,588	30,456	29.1	18.3
The Americas and Europe	39,852	54,417	36.5	32.8
Subtotal	253,273	266,280	5.1	—
Adjustments	(5,170)	(4,431)	—	—
Total	248,103	261,849	5.5	—

Domestic orders increased significantly year on year due rebound from the order cutbacks caused by the stagnation of parts imports stemming from the year-ago Shanghai lockdowns. The New Installation Business saw significant growth year on year due to a positive rebound and price hikes in response to soaring materials and logistics costs. In the Aftermarket Business, repair work and maintenance (servicing and maintaining elevators and escalators) remained strong, while modernization projects recorded an increase year on year.

Overseas, orders in East Asia for new installations declined, mainly due to the real estate recession in China. In South Asia, new installations rose in Singapore and India, while modernization projects increased in Singapore. In the Americas and Europe, new installations decreased in the U.S. and Canada, but increased in Argentina. Modernization projects decreased in the U.K. and increased in the U.S.

(Amounts less than one million yen are rounded down)

	FY2022 Q2 (April 1 - September 30, 2022)	FY2023 Q2 (April 1 - September 30, 2023)	Change (%)	Real change, after excluding the impact of foreign exchange (%)
Net sales	93,221	107,024	14.8	—
Japan	33,392	37,860	13.4	—
Overseas	59,829	69,164	15.6	9.0
Operating income	4,810	8,393	74.5	—
Ordinary income	6,503	10,714	64.7	—
Profit attributable to owners of parent	4,596	7,722	68.0	—
Net income per share	57.61 yen	99.01 yen	—	—

Both sales and profits increased year on year in the second quarter of the current fiscal year, mainly due to the rebound from the slump in economic activity caused by the Shanghai lockdowns last year. Ordinary income and profit before income taxes rose due to an increase in operating income, interest income, and other factors.

As a result, profit attributable to owners of parent rose year on year.

The following information highlights performance by segment:

(Amounts less than one million yen are rounded down)

	Net sales				Operating income (loss)			
	FY2022 Q2	FY2023 Q2	Change (%)	Real change, after excluding the impact of foreign exchange (%)	FY2022 Q2	FY2023 Q2	Change	Real change, after excluding the impact of foreign exchange
Japan	34,579	39,442	14.1	—	(136)	2,171	2,307	—
East Asia	35,990	38,994	8.3	3.2	2,019	2,723	703	464
South Asia	10,595	15,199	43.4	30.6	2,353	3,097	744	389
The Americas and Europe	17,309	20,560	18.8	13.3	635	587	(47)	(116)
Subtotal	98,475	114,197	16.0	—	4,872	8,580	3,708	—
Adjustments	(5,253)	(7,172)	—	—	(61)	(187)	(125)	—
Total	93,221	107,024	14.8	—	4,810	8,393	3,583	—

Japan

Both sales and profits increased year on year. Sales increased for new installations and modernization projects within the Aftermarket Business in reaction to the decrease in the year-ago quarter due to construction work delays associated with the Shanghai lockdowns. Maintenance continued to be firm. Operating income increased due to improved profitability resulting from the increase in sales.

East Asia

Both sales and profits increased year on year. Sales increased mainly due to an increase in modernization projects in Hong Kong. New installations decreased in China due to a decline in the number of projects on hand as a result of a drop in orders received under the real estate recession. Operating income increased mainly due the end of soaring raw materials costs associated with new installations in China and a decrease in provision for losses on construction contracts in Hong Kong.

South Asia

Both sales and profits increased year on year. New Installation Business sales increased, mainly due to an increase in unit shipments resulting from increased production capacity after the expansion of our India plant. Aftermarket Business sales rose with an increase in repair work in Singapore. Operating income increased in Singapore with increased sales in the Aftermarket Business. Operating income swung to positive territory for the New Installation Business.

The Americas and Europe

Sales increased and profits decreased year on year. New Installation Business sales decreased in the U.S. in a negative rebound stemming from the progress of a large project in the U.S. launched in the previous fiscal year. Aftermarket Business sales increased, mainly due to an increase in modernization projects in the U.S. Operating income decreased due to the overall impact of lower profitability in new installations in Canada, despite improvements in the U.S. due to lower transportation costs in new installations and an increase in maintenance unit prices in the Aftermarket Business

(2) Explanation of Financial Position

a. Financial Position

Total assets as of the end of the cumulative consolidated second quarter amounted to 246,025 million yen, an increase of 15,926 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to increases in cash and deposits and notes and accounts receivable - trade, and contract assets.

Total liabilities amounted to 89,079 million yen, an increase of 3,099 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to increases in notes and accounts payable - trade and advances from customers.

Net assets amounted to 156,945 million yen, an increase of 12,827 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to profit attributable to owners of parent of 7,722 million yen, an increase of 6,019 million yen in foreign currency translation adjustments, and an increase of 1,220 million yen in valuation difference on available-for-sale securities. These increases were offset in part by dividend payments of 3,120 million yen. Our shareholders' equity ratio as of September 30, 2023, was 56.9%, up 1.3 points compared to the end of the prior consolidated fiscal year. Net assets per share amounted to 1,792.92 yen, up 152.63 yen compared with the end of the prior consolidated fiscal year.

b. Cash Flows

Cash and equivalents as of the end of the consolidated second quarter amounted to 35,680 million yen, an increase of 4,216 million yen compared with the end of the prior consolidated fiscal year.

The following describes cash flows from each source and change factors for the six months ended September 30, 2023.

Cash Flows From Operating Activities

Net cash provided by operating activities amounted to 14,157 million yen, an increase of 10,119 million yen compared with the year-ago period. This result was mainly due to profit before income taxes of 10,769 million yen, depreciation and amortization of 2,035 million yen, and a decrease in notes and accounts receivables-trade of 1,833 million yen, against an increase in inventories of 1,484 million yen.

Cash Flows From Investing Activities

Net cash used in investing activities amounted to 3,198 million yen, an increase of 5,399 million yen compared with year-ago period. This result was mainly due to a net increase in time deposits of 2,626 million yen and purchases of property, plant and equipment of 1,247 million yen. These amounts were offset by 751 million yen in interest and dividends received.

Cash Flows From Financing Activities

Net cash used in financing activities amounted to 8,344 million yen, an increase of 811 million yen compared with the year-ago period. This result was mainly due to a net decrease of 4,639 million yen in short-term debt, payments of dividends, etc.

(3) Explanation of Consolidated Earnings Forecasts and Other Forecasts

We have not made any changes to the consolidated earnings forecasts for fiscal 2023 (April 1, 2023 - March 31, 2024) as announced on August 7, 2023.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of September, 30, 2023
Assets		
Current assets		
Cash and deposits	58,297	76,334
Notes and accounts receivable-trade, and contract assets	75,545	77,440
Merchandise and finished goods	4,968	5,071
Work in process	3,303	3,714
Raw materials and supplies	12,382	14,233
Other	7,771	7,384
Allowance for doubtful accounts	(3,135)	(3,487)
Total current assets	159,132	180,692
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	20,068	20,329
Machinery and equipment, net	5,644	5,675
Tools, furniture and fixtures, net	2,739	2,813
Land	7,200	7,240
Leased assets, net	2,010	2,084
Construction in progress	843	790
Total property, plant and equipment	38,506	38,934
Intangible assets		
Goodwill	1,612	2,300
Other	3,756	3,865
Total intangible assets	5,368	6,166
Investments and other assets		
Investments securities	10,059	11,712
Long-term loans receivable	1,262	1,419
Other	16,549	7,882
Allowance for doubtful accounts	(780)	(781)
Total investments and other assets	27,090	20,232
Total fixed assets	70,966	65,332
Total assets	230,098	246,025

(Millions of yen)

	As of March 31, 2023	As of September, 30, 2023
Liabilities		
Current liabilities		
Notes and accounts payable-trade	18,548	19,977
Electronically recorded obligations-operating	3,904	3,969
Short-term debt	9,789	5,564
Current portion of long-term debt	6	7
Accrued income taxes	1,430	2,967
Provision for bonuses	2,628	2,561
Provision for losses on construction contracts	8,568	8,282
Other provision	2,248	2,206
Advances from customers	21,010	22,835
Other	11,752	14,219
Total current liabilities	79,888	82,593
Non-current liabilities		
Long-term debt	13	11
Net defined benefit liability	4,232	4,528
Other	1,845	1,946
Total non-current liabilities	6,092	6,486
Total liabilities	85,980	89,079
Net assets		
Shareholders' equity		
Paid-in capital	12,533	12,533
Additional paid-in capital	14,475	14,488
Retained earnings	99,546	104,147
Treasury stock	(2,287)	(2,154)
Total Shareholders' equity	124,268	129,015
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,426	3,647
Deferred gains or losses on hedges	(127)	(141)
Foreign currency translation adjustments	2,098	8,117
Remeasurements of defined benefit plans	(768)	(735)
Total accumulated other comprehensive income	3,629	10,887
Stock acquisition rights	35	35
Non-controlling interests	16,185	17,007
Total net assets	144,118	156,945
Total liabilities and net assets	230,098	246,025

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

For the six months ended September 30, 2022 and September 30, 2023

(Millions of yen)

	FY2022 Q2 (April 1 - September, 30, 2022)	FY2023 Q2 (April 1 - September, 30, 2023)
Net sales	93,221	107,024
Cost of sales	74,013	82,800
Gross profit	19,208	24,223
Selling, general and administrative expenses	14,397	15,829
Operating income	4,810	8,393
Other income		
Interest income	425	1,116
Dividend income	130	143
Foreign exchange gains	1,045	926
Other	258	346
Total other income	1,859	2,533
Other expenses		
Interest expenses	74	175
Provision of allowance for doubtful accounts	19	5
Other	72	31
Total other expenses	166	212
Ordinary income	6,503	10,714
Special gain		
Gain on sales of property, plant and equipment	11	5
Gain on sales of investment securities	10	122
Total special gain	21	127
Special loss		
Loss on sales and retirement of property, plant and equipment	8	16
Impairment loss	43	55
Loss on sales of investment securities	0	—
Loss on valuation of investment securities	0	—
Total special loss	53	72
Profit before income taxes	6,472	10,769
Income taxes expense	1,194	2,248
Deferred taxes expense	187	223
Total income taxes	1,381	2,472
Profit	5,090	8,297
Profit attributable to non-controlling interests	494	574
Profit attributable to owners of parent	4,596	7,723

Quarterly Consolidated Statements of Comprehensive Income**For the six months ended September 30, 2022 and September 30, 2023**

(Millions of yen)

	FY2022 Q2 (April 1 - September, 30, 2022)	FY2023 Q2 (April 1 - September, 30, 2023)
Profit	5,090	8,297
Other comprehensive income		
Valuation difference on available-for-sale securities	(259)	1,220
Deferred gains or losses on hedges	(25)	(17)
Foreign currency translation adjustments	14,362	6,874
Remeasurements of defined benefit plans	234	33
Total other comprehensive income	14,311	8,111
Comprehensive income	19,402	16,408
Comprehensive income attributable to:		
Owners of parent	17,074	14,981
Non-controlling interests	2,327	1,427

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	FY2022 Q2 (April 1 - September, 30, 2022)	FY2023 Q2 (April 1 - September, 30, 2023)
Cash flows from operating activities		
Profit before income taxes	6,472	10,769
Depreciation and amortization	1,727	2,035
Increase (decrease) in allowance for doubtful accounts	36	162
Interest and dividend income	(556)	(1,259)
Increase (decrease) in provision for bonuses to employees	(398)	(141)
Increase (decrease) in provision for loss on construction contracts	(1,355)	(675)
Decrease (increase) in notes and accounts receivable-trade	(434)	1,833
Decrease (increase) in inventories	(4,998)	(1,484)
Increase (decrease) in notes and accounts payable-trade	2,436	373
Loss (gain) on sales of investment securities	(10)	(122)
Increase (decrease) in advances received	3,780	772
Loss (gain) on sales and retirement of property, plant and equipment	(3)	11
Increase (decrease) in net defined benefit liability	318	288
Other, net	(1,402)	1,898
Subtotal	5,612	14,461
Income taxes paid	(1,575)	(304)
Net cash provided by (used in) operating activities	4,037	14,157
Cash flows from investing activities		
Payments into time deposits	(9,067)	(13,985)
Proceeds from withdrawal of time deposits	13,116	11,358
Purchase of property, plant and equipment	(1,944)	(1,247)
Proceeds from sales of property, plant and equipment	22	530
Purchase of investment securities	(1)	(128)
Proceeds from sales of investment securities	46	275
Interest and dividends received	537	751
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(504)
Other, net	(507)	(247)
Net cash provided by (used in) investing activities	2,200	(3,198)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,657	(4,639)
Proceeds from long-term borrowings	—	3
Repayments of long-term borrowings	(230)	(6)
Purchase of treasury shares	(5,061)	(0)
Interest paid	(53)	(161)
Cash dividends paid	(3,643)	(3,119)
Dividends paid to non-controlling interests	(277)	(337)
Other, net	77	(83)
Net cash provided by (used in) financing activities	(7,532)	(8,344)
Effect of exchange rate change on cash and cash equivalents	5,713	1,601
Net increase (decrease) in cash and cash equivalents	4,419	4,216
Cash and cash equivalents at beginning year	39,042	31,463
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	209	—
Cash and cash equivalents at end of the period	43,671	35,680

(4) Notes to the Quarterly Consolidated Financial Statements

(Notes Regarding Assumptions of Going Concern)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Segment and Other Information)

I Six months ended September 30, 2022

1. Information on operating revenue and profit (loss) of each reportable segment

(Millions of yen)

	Reportable Segments					Adjustments (Note 1)	Amount to quarterly consolidated statements of income (Note 2)
	Japan	East Asia	South Asia	The Americas and Europe	Total		
Net sales							
Sales to external customers	33,412	31,921	10,593	17,294	93,221	—	93,221
Intersegment sales/transfers	1,166	4,068	2	15	5,253	(5,253)	—
Total	34,579	35,990	10,595	17,309	98,475	(5,253)	93,221
Segment income (loss)	(136)	2,019	2,353	635	4,872	(61)	4,810

(Notes) 1. Segment income (loss) adjustments of (61) million yen include eliminations of intersegment transactions of 6 million yen and inventory adjustments of (67) million yen.

2. Segment income (loss) has been adjusted to operating income on the quarterly consolidated statements of income.

2. Information related to impairment of fixed assets, goodwill, etc. by reportable segment

There were no significant events or changes.

II Six months ended September 30, 2023

1. Information on operating revenue and profit (loss) of each reportable segment

(Millions of yen)

	Reportable Segments					Adjustments (Note 1)	Amount to quarterly consolidated statements of income (Note 2)
	Japan	East Asia	South Asia	The Americas and Europe	Total		
Net sales							
Sales to external customers	37,881	33,406	15,198	20,538	107,024	—	107,024
Intersegment sales/transfers	1,561	5,588	0	21	7,172	(7,172)	—
Total	39,442	38,994	15,199	20,560	114,197	(7,172)	107,024
Segment income	2,171	2,723	3,097	587	8,580	(187)	8,393

(Notes) 1. Segment income adjustments of (187) million yen include eliminations of intersegment transactions of 0 million yen and inventory adjustments of (187) million yen.

2. Segment income has been adjusted to operating income on the quarterly consolidated statements of income.

2. Information related to impairment of fixed assets, goodwill, etc. by reportable segment

There were no significant events or changes.