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November 8, 2024

Consolidated Business Results for the Second Quarter Ended September 30, 2024 (Japan GAAP)

Company: **FUJITEC CO., LTD.**

Listed on TSE

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Scheduled date of filing of semi-annual securities report: November 13, 2024

Expected starting date of dividend payment: December 2, 2024

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, 2024

(April 1, 2024 to September 30, 2024)

(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, 2024	116,759	9.1	8,861	5.6	10,723	0.1	8,199	6.2
September 30, 2023	107,024	14.8	8,390	74.4	10,711	64.7	7,721	68.0

(Note) Comprehensive income — September 30, 2024: 15,977 million yen [-2.6%], September 30, 2023: 16,408 million yen [-15.4%]

	Net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2024	105.08	105.03
September 30, 2023	98.99	98.94

(Note) The Company finalized the provisional accounting treatment for a business combination in the previous consolidated fiscal year. The relevant figures for six months ended September 30, 2024 reflect the details of the finalization of the provisional accounting treatment.

(2) Financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
September 30, 2024	264,892	170,647	57.8
March 31, 2024	256,402	165,177	57.9

(Reference) Shareholders' equity — September 30, 2024: 153,070 million yen, March 31, 2024: 148,358 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, 2024	—	35.00	—	120.00	155.00
For the year ending March 31, 2025	—	75.00			
March 31, 2025 (forecast)			—	90.00	165.00

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

Cash dividends for March 31, 2024: Regular dividend: 50.00 yen Special dividend: 70.00 yen

3. Forecasts of consolidated business performance for the fiscal year ending March 31, 2025

(April 1, 2024 – March 31, 2025)

(% 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, 2025	245,000	6.8	18,100	24.2	20,000	6.9	16,000	(10.3)	205.03

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

*** Other**

- (1) Changes in significant subsidiaries in the scope of consolidation during the period: 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: Yes
 - 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, 2024: 78,900,000 shares	Year ended March 31, 2024: 78,900,000 shares
2) Treasury stock at the end of period:	Six months ended September 30, 2024: 863,624 shares	Year ended March 31, 2024: 869,385 shares
3) Weighted average number of shares outstanding during the period:	Six months ended September 30, 2024: 78,032,060 shares	Six months ended September 30, 2023: 78,000,121 shares

* 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.

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1. Qualitative Information on Financial Performance

(1) Explanation of Operating Results

Despite a moderate recovery, the global economy remained uncertain throughout the interim consolidated period under review due to soaring energy prices, the sluggish economy in China, and geopolitical risks. In the U.S., the economy remained firm, but capital investment and home sales slowed. In China, conditions remained weak due to the prolonged real estate recession, sluggish personal consumption, and declining investment in China from outside. While the recovery in personal consumption in Japan stalled, the economy demonstrated a moderate recovery with improving employment and income conditions, strong inbound demand, and firm capital investment.

In light of changes in the business environment surrounding the Fujitec Group, we announced a new five-year medium-term management plan, Move On 5, in May 2024, which we began executing this fiscal year. This plan encompasses the fundamental corporate changes we will pursue to achieve our underlying value. Under Move On 5, we plan to improve net sales to 325 billion yen, operating income to 44 billion yen, and operating income margin to 13.5% by fiscal 2028, achieving cross-organizational growth and efficiencies in every region and every business. We established three pillars as a company-wide strategy to achieve these growth targets. The first pillar is *selection and consolidation of regions and business mix*. Under this pillar, we aim to improve profitability through clear strategic positioning in each region, defining the direction of efforts in each region and business. To accelerate the supervision and execution of each regional strategy, we established a specific implementation structure led by a regional director for each regional segment. In China, where the real estate recession continues, we are addressing major issues by restructuring our agency network through a review of contracts and reducing personnel, mainly in direct factory departments. The second pillar is *high quality and high profitability*. Here, we aim to improve margins through the collective efforts of the Fujitec Group while also enhancing quality, which is one of our strengths. As part of these measures, we pursue preventive maintenance systems using remote monitoring in each region. In Singapore, we became the first Japanese manufacturer to obtain the standard certification for elevator maintenance using remote monitoring, which is an initiative of the Singaporean government. These standards are the first of their kind, established in Singapore for the remote monitoring of maintenance in the countless high-rise buildings located the country to enhance elevator sustainability. The third pillar is a *strong business foundation*, including governance, the SDGs, and other initiatives indispensable for pursuing these pillars. To strengthen our implementation framework for Move On 5, we established a group management system centered around the Management Committee while also clarifying roles and responsibilities. In addition, we set a target to reduce greenhouse gas emissions by 46% by fiscal 2030 (vs. fiscal 2019) to reduce our environmental footprint. One of our efforts in this area was our move to switch from diesel oil to biodiesel fuel for the four-ton trucks owned by Big Step, our R&D and production base for escalators. We established 21 subcommittees to monitor our progress in these three pillars. Each subcommittee reports progress at monthly management meetings, where issues are identified and response measures formulated.

So far this fiscal year, we delivered a total of 102 elevators and escalators to Shibuya Sakura Stage, a large-scale complex facility in Shibuya, Tokyo, that opened on July 25, 2024. In Hong Kong, we delivered 44 units of renovated elevators for Three Garden Road, two high-rise office buildings in the financial district. This job represented the largest order for renovations in Fujitec Group history.

As a result of the matters discussed above, the Fujitec Group recorded business performance for the interim consolidated period as described below.

(Amounts less than one million yen are rounded down)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Change (%)	Real change, after excluding the impact of foreign exchange (%)
Orders				
Japan	54,719	55,198	0.9	—
East Asia	31,119	33,381	7.3	(2.3)
South Asia	18,180	21,997	21.0	8.8
The Americas and Europe	24,448	25,096	2.7	(6.7)
Subtotal	128,468	135,674	5.6	—
Adjustments	(7,053)	(7,620)	—	—
Total	121,415	128,054	5.5	—
Order backlog				
Japan	95,940	101,395	5.7	—
East Asia	85,466	86,620	1.4	(7.7)
South Asia	30,456	39,840	30.8	17.6
The Americas and Europe	54,417	59,286	8.9	(1.5)
Subtotal	266,280	287,142	7.8	—
Adjustments	(4,431)	(5,926)	—	—
Total	261,849	281,215	7.4	—

Average order unit price for domestic orders in the New Installation Business rose year on year as we engaged in selective order-taking. However, the number of units ordered decreased, and orders decreased slightly year on year. In the Aftermarket Business, orders for modernization projects decreased in value year on year due in part to a reactionary decrease in connection with orders for large projects in the same period of the previous year. Repair work and maintenance for elevators and escalators rose solidly due to an increase in the number of contracts and contract price revisions.

In terms of overseas orders, in East Asia, the New Installation Business saw higher orders in Taiwan and South Korea, but a decrease in China due to the real estate recession. The Aftermarket Business saw an increase in orders, mainly in Hong Kong. In South Asia, New Installation Business orders increased, mainly in Singapore and India. In the Americas and Europe, New Installation Business orders decreased in the U.S., but Aftermarket Business orders increased in Canada and the U.K.

(Amounts less than one million yen are rounded down)

	Six months ended September 30, 2023	Six months ended September 30, 2024	Change (%)	Real change, after excluding the impact of foreign exchange (%)
Net sales	107,024	116,759	9.1	—
Japan	37,860	42,552	12.4	—
Overseas	69,164	74,207	7.3	(3.1)
Operating income	8,390	8,861	5.6	—
Ordinary income	10,711	10,723	0.1	—
Profit attributable to owners of parent	7,721	8,199	6.2	—
Net income per share	¥98.99	¥105.08	—	—

While sales and profits for the interim consolidated period review decreased in East Asia, other regions compensated for this decrease, leading to gains year on year. Ordinary income and profit before income taxes were flat year on year; however, profit attributable to owners of parent increased due to a decrease in profit attributable to non-controlling interests.

The business combination with Express Lifts Limited (currently Fujitec Express Limited) on September 20, 2022, accounted for tentatively in the interim consolidated period of the previous fiscal year, was finalized in the interim consolidated period of the previous fiscal year. Accordingly, data for the previous consolidated year reflects the revised amounts of the revisions to initial allocation of acquisition costs.

The following information highlights performance by segment:

(Amounts less than one million yen are rounded down)

	Net sales				Operating income			
	Six months ended September 30, 2023	Six months ended September 30, 2024	Change (%)	Real change, after excluding the impact of foreign exchange (%)	Six months ended September 30, 2023	Six months ended September 30, 2024	Change	Real change, after excluding the impact of foreign exchange
Japan	39,442	43,640	10.6	—	2,171	3,664	1,492	—
East Asia	38,994	35,031	(10.2)	(18.1)	2,723	1,242	(1,480)	(1,639)
South Asia	15,199	18,172	19.6	7.4	3,095	3,341	246	(96)
The Americas and Europe	20,560	27,150	32.1	18.8	587	700	112	51
Subtotal	114,197	123,994	8.6	—	8,577	8,948	370	—
Adjustments	(7,172)	(7,234)	—	—	(187)	(86)	100	—
Total	107,024	116,759	9.1	—	8,390	8,861	471	—

Japan

Both sales and profits increased year on year. Sales increased significantly in the New Installation Business and Aftermarket Business. Despite an increase in personnel expenses due to bonuses and wage raises, operating income rose due to the significant impact of sales price revisions on profitability.

East Asia

Both sales and profits decreased year on year. Net sales decreased, despite increased sales in the Hong Kong Aftermarket Business. This decrease was mainly due to the significant impact of fewer New Installation Business projects on hand and

lower sales unit prices stemming from the real estate recession in China. Operating income decreased due to lower sales in the New Installation Business in China, as well as the impact of the New Installation Business and an increase in provision for losses on construction contracts in Hong Kong.

South Asia

Sales and profits increased year on year (sales increased and profits decreased when excluding the impact of foreign exchange). Sales increased due to the performance of the New Installation Business in Singapore and India, as well as an increase in the Aftermarket Business related to modernization projects in Singapore. Operating income increased mainly due to higher sales in India, despite weakening profitability due to higher labor costs at a newly established business in Singapore.

The Americas and Europe

Both sales and profits increased year on year. Net sales increased in the New Installation Business due to progress on a large project in the U.S. and in the Aftermarket Business in the U.S. and the U.K. Operating income increased due to higher sales in the Aftermarket Business in the U.K., which offset the impact of unprofitable construction work in certain New Installation Business projects in the U.S. and higher labor costs for maintenance.

(2) Explanation of Financial Position

a. Financial Position

Total assets as of the end of the interim consolidated period amounted to 264,892 million yen, an increase of 8,489 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to increases in cash and deposits, merchandise and finished goods, raw materials and supplies, and property, plant and equipment.

Total liabilities amounted to 94,244 million yen, an increase of 3,018 million yen compared with the end of the prior consolidated fiscal year. This result was mainly due to an increase in notes and accounts payable-trade and advances from customers, which were offset in part by decreases in accrued income taxes.

Net assets amounted to 170,647 million yen, an increase of 5,470 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 8,199 million yen and an increase of 6,386 million yen in foreign currency translation adjustments. These increases were offset in part by dividend payments of 9,363 million yen. Our shareholders' equity ratio as of the end of the interim consolidated period under review was 57.8%, down 0.1 points compared to the end of the prior consolidated fiscal year. Net assets per share amounted to 1,961.53 yen, up 60.25 yen compared with the end of the prior consolidated fiscal year.

b. Cash Flows

Cash and equivalents as of the end of the interim consolidated period under review amounted to 55,436 million yen, an increase of 16,448 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 interim consolidated period under review.

Cash Flows From Operating Activities

Net cash provided by operating activities amounted to 11,225 million yen, a decrease of 2,931 million yen compared with the year-ago period. This result was mainly due to profit before income taxes of 10,743 million yen, a decrease in accounts receivable-trade of 3,293 million yen, an increase in advances received of 2,415 million yen, and other factors, against income taxes paid of 4,128 million yen.

Cash Flows From Investing Activities

Net cash provided by investing activities amounted to 13,372 million yen, an increase of 16,570 million yen compared to the year-ago period. This result was mainly due to a net decrease in time deposits of 14,830 million yen, interest and dividends

received of 1,726 million yen, and other factors, against purchases of property, plant and equipment of 2,698 million yen.

Cash Flows From Financing Activities

Net cash used in financing activities amounted to 11,488 million yen, an increase of 3,144 million yen compared with the year-ago period. This result was mainly due to a net decrease of 471 million yen in short-term borrowings, cash dividends paid, etc.

(3) Explanation of Consolidated Earnings Forecasts and Other Forecasts

We have not made any changes to the consolidated earnings forecasts for fiscal 2024 (April 1, 2024 - March 31, 2025) as announced on May 14, 2024.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and deposits	80,560	84,421
Notes and accounts receivable-trade, and contract assets	85,141	85,829
Merchandise and finished goods	3,672	4,457
Work in process	4,322	4,645
Raw materials and supplies	12,922	13,922
Other	7,653	7,125
Allowance for doubtful accounts	(3,789)	(4,001)
Total current assets	190,484	196,399
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,844	19,852
Machinery and equipment, net	5,551	5,980
Tools, furniture and fixtures, net	2,869	3,043
Land	7,256	7,264
Leased assets, net	2,380	2,461
Construction in progress	1,645	3,921
Total property, plant and equipment	39,547	42,523
Intangible assets		
Goodwill	2,210	2,076
Other	3,826	3,802
Total intangible assets	6,036	5,879
Investments and other assets		
Investments securities	11,770	11,286
Long-term loans receivable	1,171	1,357
Other	8,066	8,131
Allowance for doubtful accounts	(674)	(685)
Total investments and other assets	20,334	20,089
Total non-current assets	65,917	68,492
Total assets	256,402	264,892

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Liabilities		
Current liabilities		
Notes and accounts payable-trade	18,181	19,206
Electronically recorded obligations-operating	4,116	4,219
Short-term debt	5,733	5,457
Current portion of long-term debt	—	28
Accrued income taxes	4,431	2,629
Provision for bonuses	3,173	3,442
Provision for losses on construction contracts	10,227	9,383
Other provision	2,419	2,116
Advances from customers	20,999	24,356
Other	15,020	16,509
Total current liabilities	84,304	87,351
Non-current liabilities		
Long-term debt	128	115
Net defined benefit liability	4,595	4,613
Other	2,198	2,163
Total non-current liabilities	6,921	6,893
Total liabilities	91,225	94,244
Net assets		
Shareholders' equity		
Paid-in capital	12,533	12,533
Additional paid-in capital	14,565	14,576
Retained earnings	111,405	110,241
Treasury stock	(2,155)	(2,140)
Total Shareholders' equity	136,349	135,211
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,806	4,167
Deferred gains or losses on hedges	(125)	(50)
Foreign currency translation adjustments	7,473	13,859
Remeasurements of defined benefit plans	(146)	(116)
Total accumulated other comprehensive income	12,008	17,859
Stock acquisition rights	35	35
Non-controlling interests	16,783	17,541
Total net assets	165,177	170,647
Total liabilities and net assets	256,402	264,892

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

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Net sales	107,024	116,759
Cost of sales	82,800	90,087
Gross profit	24,223	26,672
Selling, general and administrative expenses	15,832	17,810
Operating income	8,390	8,861
Other income		
Interest income	1,116	1,433
Dividend income	143	151
Foreign exchange gains	926	21
Other	346	523
Total other income	2,533	2,130
Other expenses		
Interest expenses	175	217
Provision of allowance for doubtful accounts	5	—
Other	31	51
Total other expenses	212	269
Ordinary income	10,711	10,723
Special gain		
Gain on sales of non-current assets	5	43
Gain on sales of investment securities	122	—
Total special gain	127	43
Special loss		
Loss on sales and retirement of non-current assets	16	10
Impairment loss	55	6
Business restructuring expenses	—	6
Total special loss	72	23
Profit before income taxes	10,766	10,743
Income taxes expense	2,248	2,152
Deferred taxes expense	221	347
Total income taxes	2,470	2,500
Profit	8,296	8,242
Profit attributable to non-controlling interests	574	43
Profit attributable to owners of parent	7,721	8,199

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Profit	8,296	8,242
Other comprehensive income		
Valuation difference on available-for-sale securities	1,220	(638)
Deferred gains or losses on hedges	(17)	93
Foreign currency translation adjustments	6,875	8,251
Remeasurements of defined benefit plans	33	29
Total other comprehensive income	8,111	7,734
Comprehensive income	16,408	15,977
Comprehensive income attributable to:		
Owners of parent	14,980	14,053
Non-controlling interests	1,427	1,924

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2023	Six months ended September 30, 2024
Cash flows from operating activities		
Profit before income taxes	10,766	10,743
Depreciation and amortization	2,043	2,293
Increase (decrease) in allowance for doubtful accounts	162	(104)
Interest and dividend income	(1,259)	(1,585)
Increase (decrease) in provision for bonuses to employees	(141)	177
Increase (decrease) in provision for loss on construction contracts	(675)	(1,246)
Decrease (increase) in notes and accounts receivable-trade	1,833	3,293
Decrease (increase) in inventories	(1,484)	(1,112)
Increase (decrease) in notes and accounts payable-trade	373	(335)
Loss (gain) on sales of investment securities	(122)	—
Increase (decrease) in advances received	772	2,415
Loss (gain) on sales and retirement of property, plant and equipment	11	(33)
Increase (decrease) in net defined benefit liability	288	229
Other, net	1,893	616
Subtotal	14,461	15,353
Income taxes paid	(304)	(4,128)
Net cash provided by (used in) operating activities	14,157	11,225
Cash flows from investing activities		
Payments into time deposits	(13,985)	(14,389)
Proceeds from withdrawal of time deposits	11,358	29,219
Purchase of property, plant and equipment	(1,247)	(2,698)
Proceeds from sales of property, plant and equipment	530	59
Purchase of investment securities	(128)	(421)
Proceeds from sales of investment securities	275	—
Interest and dividends received	751	1,726
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(504)	—
Other, net	(247)	(124)
Net cash provided by (used in) investing activities	(3,198)	13,372
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(4,639)	(471)
Proceeds from long-term borrowings	3	40
Repayments of long-term borrowings	(6)	—
Purchase of treasury shares	(0)	(0)
Interest paid	(161)	(174)
Cash dividends paid	(3,119)	(9,356)
Dividends paid to non-controlling interests	(337)	(1,085)
Other	(83)	(441)
Net cash provided by (used in) financing activities	(8,344)	(11,488)
Effect of exchange rate change on cash and cash equivalents	1,601	3,339
Net increase (decrease) in cash and cash equivalents	4,216	16,448
Cash and cash equivalents at beginning year	31,463	38,987
Cash and cash equivalents at end of the period	35,680	55,436

(4) Notes to the Consolidated Financial Statements

(Notes Regarding Assumptions of Going Concern)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Changes in Accounting Policies)

(Adoption of Accounting Standard for Current Income Taxes)

The Company applied Accounting Standard for Current Income Taxes (ASBJ Statement No. 27, October 28, 2022; "Revised Accounting Standard 2022," below) at the beginning of the current interim consolidated fiscal year.

The revised classifications for income taxes (taxes on other comprehensive income) follows the transitional treatment detailed in the proviso of paragraph 20-3 of Revised Accounting Standard 2022 and the transitional treatment detailed in the proviso of paragraph 65-2(2) of Guidance on Accounting for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; "Revised Guidance 2022," below). The adoption of this accounting standard did not have any impact on the interim consolidated financial statements and per-share information of the Company.

Further, the Company has adopted Revised Guidance 2022 as of the beginning of the current interim consolidated fiscal year for the revised treatment of consolidated financial statements when gains or losses arising from the sale of shares, etc., in subsidiaries between consolidated companies is deferred for tax purposes. The Company applied this change in accounting policy retrospectively, and we have prepared the interim consolidated financial statements and the interim consolidated financial statements for the previous consolidated fiscal year on this retrospective basis. The adoption of this change in policy had no impact on the interim consolidated financial statements and the interim consolidated financial statements for the previous consolidated fiscal year.

(Segment and Other Information)**I 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 interim 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	3,095	587	8,577	(187)	8,390

(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 interim consolidated statements of income.

3. The Company finalized the provisional accounting treatment for a business combination in the previous consolidated fiscal year. Segment income reflects the details of the finalization of the provisional accounting treatment.

2. Information related to impairment of non-current assets, goodwill, etc., by reportable segment

There were no significant events or changes.

II Six months ended September 30, 2024

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

(Millions of yen)

	Reportable Segments					Adjustments (Note 1)	Amount to interim consolidated statements of income (Note 2)
	Japan	East Asia	South Asia	The Americas and Europe	Total		
Net sales							
Sales to external customers	42,573	28,909	18,170	27,106	116,759	—	116,759
Intersegment sales/transfers	1,066	6,121	2	44	7,234	(7,234)	—
Total	43,640	35,031	18,172	27,150	123,994	(7,234)	116,759
Segment income	3,664	1,242	3,341	700	8,948	(86)	8,861

(Notes) 1. Segment income adjustments of (86) million yen include eliminations of intersegment transactions of (3) million yen and inventory adjustments of (83) million yen.

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

2. Information related to impairment of non-current assets, goodwill, etc., by reportable segment

There were no significant events or changes.