

Consolidated Financial Statements for the Second Quarter of the Fiscal Year Ending March 31, 2023 <Under Japanese GAAP>

November 4, 2022

These financial statements have been prepared for reference only in accordance with accounting principles and practices generally accepted in Japan.

NAGASE & CO., LTD.

Stock exchange listing: Tokyo (Prime Market)

Code number: 8012 URL (<https://www.nagase.co.jp/english/>)

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Filing of quarterly report (scheduled): November 10, 2022

Start of distribution of dividends (scheduled): December 5, 2022

Supplementary documents of quarterly financial results: Yes

Quarterly investors' meeting: Yes (for analysts and institutional investors)

(Note: Amounts have been rounded down to the nearest million yen.)

1. Consolidated Results for the Second Quarter of the Fiscal Year Ending March 31, 2023

(April 1, 2022 to September 30, 2022)

(1) Consolidated Operating Results

(% = year-on-year change)

	Net sales		Gross profit		Operating income		Ordinary income		Profit attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the second quarter ended										
September 30, 2022	455,549	21.9	79,383	15.5	19,891	2.0	20,284	-0.9	15,594	6.6
September 30, 2021	373,762	30.5	68,734	27.8	19,499	118.2	20,467	111.2	14,622	43.5

(Note) Comprehensive income

Second quarter ended September 30, 2022: ¥36,815 million (106.3%)

Second quarter ended September 30, 2021: ¥17,849 million (11.6% decrease)

	Earnings per share	Earnings per share (diluted)
For the second quarter ended	Yen	Yen
September 30, 2022	130.95	-
September 30, 2021	119.57	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
September 30, 2022	801,956	383,661	46.5	3,148.87
March 31, 2022	739,720	355,092	46.5	2,868.22

(Reference) Equity capital

As of September 30, 2022: ¥ 372,557 million

As of March 31, 2022: ¥ 344,261 million

2. Dividends

	Annual Dividends per Share				
	1Q	2Q	3Q	Fiscal year end	Annual
For the year ended (or ending)	Yen	Yen	Yen	Yen	Yen
March 2022	-	24.00	-	30.00	54.00
March 2023	-	30.00	-	-	-
March 2023 (forecast)	-	-	-	30.00	60.00

(Note) Revisions to the latest dividends forecast: No

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2023

(April 1, 2022 to March 31, 2023)

(% = year-on-year change)

	Gross profit		Operating income		Ordinary income		Profit attributable to owners of the parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year	159,000	14.0	38,000	7.8	39,000	6.9	28,500	9.9	241.35

(Note) Revisions to the latest consolidated earnings forecast: No

* Notes

(1) Changes in major subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): No

New: — (Company name:) Excluded: — (Company name:)

(2) Application of special accounting methods to the preparation of quarterly financial statements: Yes

(Note) For details, please refer to 2. *Quarterly Consolidated Financial Statements and Notes*, (4) *Notes Related to Quarterly Consolidated Financial Statements (Special Accounting Treatment Applied in the Preparation of Quarterly Consolidated Financial Statements)*, on P.12 of this document.

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

- i. Changes in accordance with revisions to accounting and other standards: No
- ii. Changes in items other than (i) above: No
- iii. Changes in accounting estimates: No
- iv. Restatement of prior period financial statements after error corrections: No

(4) Number of shares issued and outstanding (common stock)

i. Number of shares issued and outstanding as of the fiscal period end (including treasury stock)

September 30, 2022	120,908,285 shares	March 31, 2022	120,908,285 shares
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ii. Number of treasury stock as of the fiscal period end

September 30, 2022	2,593,465 shares	March 31, 2022	881,767 shares
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iii. Average number of shares during the period

September 30, 2022	119,089,430 shares	September 30, 2021	122,298,419 shares
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*** Quarterly financial statements are not subject to quarterly review.**

* Cautionary Statement with Respect to Forecasts of Consolidated Business Results

The earnings forecasts presented in this document are based upon currently available information and assumptions deemed rational. A variety of factors could cause actual results to differ materially from forecasts.

For matters related to earnings forecasts, please refer to 1. *Qualitative Information*, (3) *Qualitative Information Related to Consolidated Earnings Forecasts*, on P.6 of this document.

Attachments

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1. Qualitative Information

(1) Review of Business Performance

a. General Summary of Results

During the cumulative consolidated second quarter of the current fiscal year, the global economy showed movement toward recovery from COVID-19; however, the speed of recovery was moderate due to supply chain disruptions and surging resource prices.

As an overview of the regions in which our group does business, the economy of Greater China picked up after the lifting of the Shanghai lockdowns and the resolution of power shortages. However, we saw an overall slowdown due in part to the reemergence of COVID-19 infections. In the Americas, inflation continued to rise, causing growing concerns about a possible economic slowdown due to the prospect of higher interest rates in the future. In ASEAN, economic activities remained steady. Consumer spending advanced as the spread of COVID-19 slowed down. In Japan, the economy is on a gradual path toward recovery; however, uncertainty continues to linger over the outlook for the U.S. economy and the rising cost of living due to the weakening of the yen.

In this environment, earnings for the cumulative consolidated second quarter of the current fiscal year are as follows.

	(Millions of yen)			
	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	373,762	455,549	81,787	21.9
Gross profit	68,734	79,383	10,648	15.5
Operating income	19,499	19,891	392	2.0
Ordinary income	20,467	20,284	(182)	(0.9)
Profit before income taxes	21,276	21,027	(249)	(1.2)
Profit attributable to owners of the parent	14,622	15,594	972	6.6

- The weaker yen is an assumed contributing factor to the increase in profit under consolidated financial results for cumulative consolidated second quarter of the current fiscal year.
- In terms of segment performance, the Life & Healthcare segment recorded a significant increase in profit, driven by the Prinova Group, while the Functional Materials and Mobility segments also recorded strong results. In contrast, the Advanced Materials & Processing and Electronics & Energy segments recorded a decline in profits. For details, see *b. Segment Summary*.
- Ordinary income and profit before income taxes decreased due to higher debt stemming from an increase in working capital and an increase in interest expenses due to higher interest rates. Profit attributable to owners of the parent increased ¥900 million to ¥15.5 billion. This increase was due in part to a decrease in tax expenses and the recording of profit attributable to non-controlling interests.

b. Segment Summary

The following describes performance by segment.

Functional Materials

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	49,189	57,650	8,461	17.2
Gross profit	9,549	11,463	1,913	20.0
Operating income	3,874	4,545	670	17.3

- Sales increased for coating and urethane raw materials, due in part to soaring market prices and the weakening of the yen
- Sales increased for raw materials for industrial oil solutions and resins
- Sales increased for electronics chemicals to the electronics industry, including semiconductor-related products
- Operating income increased due to an increase in gross profit

Advanced Materials & Processing

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	125,628	135,727	10,099	8.0
Gross profit	16,476	16,371	(105)	(0.6)
Operating income	6,486	5,041	(1,444)	(22.3)

- Despite the positive impact of the weak yen on sales, profitability decreased for resin sales to the office equipment, appliance, and video game device market due to a reactionary decline stemming from increased profit ratios in connection with soaring market conditions in the year-ago period
- Sales increased for dyes and additives, and resins for industrial and packaging applications
- Sales decreased for conductive materials and digital print processing materials
- Operating income decreased due to a decrease in gross profit

Electronics & Energy

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	62,122	68,361	6,238	10.0
Gross profit	14,767	15,763	995	6.7
Operating income	5,461	5,151	(309)	(5.7)

- Sales increased for products related to precision processing materials for semiconductors
- Sales of display materials were slow, although profitability improved due to the weak yen, etc.
- Sales of formulated epoxy resins were strong for semiconductor applications, but slow for mobile devices
- Sales decreased for photolithography materials for displays
- Although gross profit increased, operating income decreased due to higher selling, general and administrative expenses

Mobility

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	46,843	61,140	14,297	30.5
Gross profit	5,992	7,213	1,221	20.4
Operating income	2,002	2,494	491	24.6

- Sales increased for resins due to the boosted automobile production and the weaker yen, etc.
- Sales increased for functional materials and functional components for interior and exterior fittings and electrification
- Operating income increased due to an increase in gross profit

Life & Healthcare

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022	Change	Change (%)
Net sales	89,857	132,632	42,775	47.6
Gross profit	21,834	28,508	6,674	30.6
Operating income	5,070	6,682	1,611	31.8

- Materials sales, manufacturing, and processing in the nutrition-related business performed well
- Sales increased for food materials, primarily TREHA™
- Sales of cosmetics materials, primarily for AA2G™, decreased due to lower demand, mainly overseas
- Sales increased for pharmaceutical raw materials
- Operating income increased due to an increase in gross profit

Others

No special matters to disclose.

(2) Review of Financial Position

a. Assets, Liabilities and Net Assets

(Millions of yen)

	Prior Consolidated Fiscal Year (March 31, 2022)	Second Quarter, Current Consolidated Fiscal Year (September 30, 2022)	Change	Change (%)
Current assets	514,286	567,760	53,474	10.4
Non-current assets	225,434	234,196	8,761	3.9
Net assets	739,720	801,956	62,236	8.4
Liabilities	384,628	418,295	33,666	8.8
Net assets	355,092	383,661	28,569	8.0
Shareholders' equity ratio (%)	46.5	46.5	(0.0) p	—

- Current assets increased mainly due to an increase in inventories and accounts receivable
- Non-current assets increased slightly due to an increase in property, plant and equipment and intangible fixed assets, despite lower fair values of investments in securities
- Liabilities increased mainly due to an increase in commercial paper and short-term loans
- Net assets increased mainly due to the recording of quarterly profit attributable to owners of the parent and an increase in translation adjustments, despite decreases from purchases of treasury stock and payments of dividends
- As a result, the Company recorded a shareholders' equity ratio of 46.5%, the same level as at the end of the prior fiscal year

b. Consolidated Cash Flows

(Millions of yen)

	Six-month period ended September 30, 2021	Six-month period ended September 30, 2022
Cash flows from operating activities	(13,625)	(17,982)
Cash flows from investing activities	(4,947)	(5,987)
Cash flows from financing activities	14,417	11,550

- Although the Company recorded profit before income taxes of ¥21.0 billion, net cash used in operating activities was mainly the result of a decrease in cash of ¥29.5 billion in connection with an increase in working capital and ¥9.1 billion in income taxes paid
- Net cash used in investing activities was mainly the result of cash outlays of ¥5.7 billion and ¥2.3 billion for the purchase of property, plant and equipment and purchase of intangible fixed assets, respectively, offset in part by ¥1.6 billion in proceeds from the sales of investments in securities.
- Net cash provided by financing activities was mainly the result of net proceeds of ¥14.0 billion in commercial paper, net proceeds of ¥10.0 billion in the issuance of bonds, and a net increase of ¥6.3 billion in short-term loans. These amounts were offset in part by cash outlays of ¥10.0 billion, ¥3.6 billion, and ¥3.2 billion due to the redemption of bonds, payments of dividends, and purchases of treasury stock, respectively.

(3) Qualitative Information Related to Consolidated Earnings Forecasts

We made no changes to the consolidated earnings forecast for the current fiscal year (April 1, 2022 to March 31, 2023) from the figures announced on May 10, 2022.

Although performance of the Advanced Materials & Processing and Electronics & Energy segments fell short of initial estimates due to the impact of the Shanghai lockdowns and the decline in demand for mobile devices, semiconductor-related products performed well, and the nutrition-related business handled by the Prinova Group performed better than expected. In addition, the weakening yen helped performance continue in line with the consolidated earnings forecast announced at the beginning of the fiscal year.

We expect raw materials prices and utility costs to remain high throughout the second half of the fiscal year and beyond. There are also concerns about a global economic recession, so the outlook remains uncertain. However, we expect to secure a certain level of profit due to continued strong semiconductor-related products and a recovery in automobile production.

As a result, we have left the full-year consolidated earnings forecast unchanged, while revising earnings forecasts by segment as follows.

These forecasts have been developed based on foreign exchange rates of ¥140 to the U.S. dollar and ¥20.0 to the RMB.

Revised operating income forecasts by segment (April 1, 2022 - March 31, 2023)

(Operating income by segment)	(Millions of yen)			
	Prior Forecast (A)*	Revised Forecast(B)	Change (B-A)	Change (%)
Functional Materials	8,300	9,500	1,200	14.5%
Advanced Materials & Processing	11,700	10,500	(1,200)	(10.3%)
Electronics & Energy	11,500	10,300	(1,200)	(10.4%)
Mobility	4,400	5,500	1,100	25.0%
Life & Healthcare	11,200	11,700	500	4.5%
Others	(9,100)	(9,500)	(400)	—
Total operating income	38,000	38,000	—	—

* Full-year consolidated earnings forecast announced on May 10, 2022

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

	Prior Consolidated Fiscal Year (March 31, 2022)	Second Quarter, Current Consolidated Fiscal Year (September 30, 2022)
(Millions of yen)		
ASSETS		
Current assets		
Cash and time deposits	54,211	46,124
Notes and accounts receivable	289,862	316,472
Merchandise and finished goods	142,590	169,152
Work in process	2,401	2,134
Raw materials and supplies	12,533	15,177
Other	13,935	19,945
Less allowance for doubtful accounts	(1,248)	(1,247)
Total current assets	514,286	567,760
Non-current assets		
Property, plant and equipment	72,554	77,121
Intangible fixed assets		
Goodwill	29,492	30,959
Technology-based assets	5,912	5,125
Other	29,664	35,815
Total intangible fixed assets	65,070	71,899
Investments and other assets		
Investments in securities	75,600	72,459
Long-term loans receivable	24	19
Retirement benefit asset	3,139	3,338
Deferred tax assets	3,572	3,572
Other	5,583	5,892
Less allowance for doubtful accounts	(112)	(108)
Total investments and other assets	87,809	85,174
Total non-current assets	225,434	234,196
Total assets	739,720	801,956

(Millions of yen)

	Prior Consolidated Fiscal Year (March 31, 2022)	Second Quarter, Current Consolidated Fiscal Year (September 30, 2022)
LIABILITIES		
Current liabilities		
Notes and accounts payable	149,036	152,353
Short-term loans	73,121	90,138
Current portion of long-term loans	8,752	8,348
Commercial paper	25,000	39,000
Current portion of bonds	10,000	—
Accrued income taxes	7,100	3,456
Accrued bonuses for employees	7,648	7,323
Accrued bonuses for directors	497	241
Other	26,678	27,732
Total current liabilities	307,836	328,592
Long-term liabilities		
Bonds	20,000	30,000
Long-term loans	28,244	29,223
Deferred tax liabilities	12,310	11,265
Retirement benefit liability	13,238	13,517
Other	2,998	5,695
Total long-term liabilities	76,791	89,702
Total liabilities	384,628	418,295
NET ASSETS		
Shareholders' equity		
Common stock	9,699	9,699
Capital surplus	10,639	10,639
Retained earnings	280,015	291,775
Less treasury stock, at cost	(1,534)	(4,761)
Total shareholders' equity	298,820	307,353
Accumulated other comprehensive income		
Net unrealized holding gain on securities	31,732	29,170
Deferred gain on hedges	178	542
Translation adjustments	13,690	35,562
Remeasurements of defined benefit plans	(161)	(71)
Total accumulated other comprehensive income	45,441	65,204
Non-controlling interests	10,830	11,104
Total net assets	355,092	383,661
Total liabilities and net assets	739,720	801,956

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

(Quarterly Consolidated Statements of Income)

Six-month periods ended September 30, 2022 and 2021

(Millions of yen)

	Six-month period ended September 30, 2021 (April 1, 2021 - September 30, 2021)	Six-month period ended September 30, 2022 (April 1, 2022 - September 30, 2022)
Net sales	373,762	455,549
Cost of sales	305,027	376,166
Gross profit	68,734	79,383
Selling, general and administrative expenses	49,234	59,491
Operating income	19,499	19,891
Non-operating income		
Interest income	76	57
Dividend income	725	831
Rent income	139	124
Equity in earnings of affiliates	12	165
Foreign exchange gains	524	449
Other	248	212
Total non-operating income	1,727	1,841
Non-operating expenses		
Interest expenses	565	1,207
Other	194	240
Total non-operating expenses	760	1,448
Ordinary income	20,467	20,284
Extraordinary gains		
Gain on sales of non-current assets	11	127
Gain on sales of investment securities	1,457	1,335
Other	271	1
Total extraordinary gains	1,740	1,465
Extraordinary losses		
Loss on sales of non-current assets	173	28
Loss on disposal of non-current assets	359	205
Loss on sales of investment securities	—	7
Loss on valuation of investment securities	173	457
Loss on sales of shares of subsidiaries and affiliates	59	—
Other	163	23
Total extraordinary losses	930	722
Income before income taxes	21,276	21,027
Income taxes	5,776	5,000
Profit for the period	15,500	16,026
Profit attributable to non-controlling interests	877	431
Profit attributable to owners of the parent	14,622	15,594

(Quarterly Consolidated Statements of Comprehensive Income)

Six-month periods ended September 30, 2022 and 2021

(Millions of yen)

	Six-month period ended September 30, 2021 (April 1, 2021 - September 30, 2021)	Six-month period ended September 30, 2022 (April 1, 2022 - September 30, 2022)
Profit for the period	15,500	16,026
Other comprehensive income		
Net unrealized holding loss on securities	(2,588)	(2,552)
Deferred (loss) gain on hedges	(19)	363
Translation adjustments	5,040	22,155
Remeasurements of defined benefit plans	(139)	90
Share of other comprehensive income of affiliates accounted for by the equity method	56	731
Total other comprehensive income	2,349	20,789
Comprehensive income	17,849	36,815
Comprehensive income attributable to:		
Shareholders of the parent	16,568	35,358
Non-controlling interests	1,280	1,457

(3) Quarterly Consolidated Statements of Cash Flows

Six-month periods ended September 30, 2022 and 2021

(Millions of yen)

	Six-month period ended September 30, 2021 (April 1, 2021 - September 30, 2021)	Six-month period ended September 30, 2022 (April 1, 2022 - September 30, 2022)
Operating activities		
Income before income taxes	21,276	21,027
Depreciation and amortization other than amortization of goodwill	5,598	5,895
Amortization of goodwill	1,243	1,246
Increase in retirement benefit liability	77	379
Increase in retirement benefit asset	(435)	(27)
Interest and dividend income	(802)	(889)
Interest expenses	565	1,207
Exchange gain, net	(259)	(2,823)
Gain on sales of investment securities, investments in capital, shares of subsidiaries and affiliates, and investments in capital of subsidiaries and affiliates, net	(1,398)	(1,327)
Increase in notes and accounts receivable	(16,541)	(11,298)
Increase in inventories	(22,765)	(11,960)
Increase (decrease) in notes and accounts payable	6,507	(6,307)
Other	(2,406)	(3,880)
Subtotal	(9,339)	(8,758)
Interest and dividends received	894	1,073
Interest paid	(588)	(1,156)
Income taxes paid	(4,591)	(9,140)
Net cash used in operating activities	(13,625)	(17,982)
Investing activities		
Purchases of property, plant and equipment	(4,778)	(5,725)
Proceeds from sales of property, plant and equipment	304	495
Purchases of intangible fixed assets	(657)	(2,370)
Purchases of investments in securities	(741)	(228)
Proceeds from sales of investments in securities	1,613	1,651
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	587	—
Increase in short-term loans receivable included in other current assets	(14)	(601)
(Increase) decrease in time deposits, net	(251)	239
Payments of leasehold and guarantee deposits	(1,352)	—
Other	342	550
Net cash used in investing activities	(4,947)	(5,987)
Financing activities		
Increase in short-term loans, net	16,727	6,389
Increase in commercial paper, net	10,000	14,000
Proceeds from long-term loans	1,900	—
Repayments of long-term loans	(6,931)	(529)
Proceeds from issuance of bonds	—	10,000
Redemption of bonds	—	(10,000)
Purchase of treasury stock	(3,543)	(3,227)
Cash dividends paid	(2,963)	(3,600)
Cash dividends paid to non-controlling interests	(543)	(1,133)
Other	(228)	(347)
Net cash provided by financing activities	14,417	11,550
Effects of exchange rate changes on cash and cash equivalents	352	4,754
Net decrease in cash and cash equivalents	(3,803)	(7,664)
Cash and cash equivalents at beginning of the year	48,553	53,336
Decrease in cash and cash equivalents resulting from changes in fiscal year-end of consolidated subsidiaries	—	(204)
Cash and cash equivalents at end of the period	44,749	45,467

(4) Notes Related to Quarterly Consolidated Financial Statements

(Assumption for Going Concern)

No matters to report.

(Significant Fluctuations in Shareholders' Equity)

Following a resolution by the Company's board of directors at a meeting held February 9, 2022, the Company acquired 1,711,600 shares of treasury stock in the cumulative second quarter of the current consolidated fiscal year. As a result, treasury stock increased by ¥3,227 million, with treasury stock holdings of ¥4,761 million as of the end of the consolidated second quarter.

(Special Accounting Treatment Applied in the Preparation of Quarterly Consolidated Financial Statements)

(Calculation of Tax Expenses)

Tax expenses are calculated by rationally estimating an effective tax rate after applying tax effect accounting to profit before income taxes for the consolidated fiscal year, including the current second quarter, and multiplying profit before income taxes for the first quarter by the estimated effective tax rate.

In the event that the calculated tax expenses using this estimated effective tax rate lead to significantly unreasonable results, this shall be calculated by multiplying the statutory effective tax rate after adjusting significant non-temporary differences by the profit before income taxes.

Deferred income taxes are included in income tax.

(Segment Information, etc.)

Segment Information

I Six-month period ended September 30, 2021 (consolidated)

1. Information related to net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segments						Others (Note) 1	Total	Corporate (Note) 2	Adjustments (Note) 3	Consolidated (Note) 4
	Functional Materials	Advanced Materials & Processing	Electronics & Energy	Mobility	Life & Healthcare	Total					
Net sales											
Sales to customers	49,189	125,628	62,122	46,843	89,857	373,641	121	373,762	—	—	373,762
Intersegment sales/transfers	307	361	1,093	1,147	214	3,123	2,015	5,139	—	(5,139)	—
Total	49,496	125,990	63,215	47,990	90,071	376,765	2,136	378,901	—	(5,139)	373,762
Segment income (loss)	3,874	6,486	5,461	2,002	5,070	22,894	74	22,969	(3,691)	221	19,499

- (Note) 1. “Others” is a business segment consisting of businesses not included in Reportable Segments, and includes information processing services and professional services.
2. Corporate segment income (loss) represents expenses not allocated to Reportable Segments or Others.
 3. Adjustments are eliminations of intersegment transactions.
 4. The sum of segment income (loss) Total, Corporate, and Adjustments is equivalent to operating income as presented in “Consolidated”.

II Six-month period ended September 30, 2022 (consolidated)

1. Information related to net sales and income (loss) by reportable segment

(Millions of yen)

	Reportable Segments						Others (Note) 1	Total	Corporate (Note) 2	Adjustments (Note) 3	Consolidated (Note) 4
	Functional Materials	Advanced Materials & Processing	Electronics & Energy	Mobility	Life & Healthcare	Total					
Net sales											
Sales to customers	57,650	135,727	68,361	61,140	132,632	455,513	36	455,549	—	—	455,549
Intersegment sales/transfers	494	415	1,143	911	238	3,204	3,529	6,733	—	(6,733)	—
Total	58,144	136,143	69,504	62,052	132,871	458,717	3,566	462,283	—	(6,733)	455,549
Segment income (loss)	4,545	5,041	5,151	2,494	6,682	23,915	30	23,946	(4,258)	204	19,891

- (Note) 1. “Others” is a business segment consisting of businesses not included in Reportable Segments, and includes information processing services and professional services.
2. Corporate segment income (loss) represents expenses not allocated to Reportable Segments or Others.
 3. Adjustments are eliminations of intersegment transactions.
 4. The sum of segment income (loss) Total, Corporate, and Adjustments is equivalent to operating income as presented in “Consolidated”.