

# **Condensed Consolidated Financial Information**

**(Japanese Standard)  
for the Three Months  
Ended June 30, 2017**

**(April 1, 2017 through June 30, 2017)**

Note: The English version of these financial results contains key items only. The English version of the financial statements is provided for reference purposes only and is based on the original Japanese version, which takes precedence. In the event that a difference in interpretation arises, please refer to the original Japanese version.

**SANYO CHEMICAL INDUSTRIES, LTD.**

URL <https://www.sanyo-chemical.co.jp>

## **Cautionary Statement with Respect to Forward-Looking Statement**

This financial information contains forward-looking statements that are based on Sanyo Chemical Group's current plans, strategies and results. These forward-looking statements were formulated by managers based on currently-available information, however actual results may vary significantly depending on the economic environment where Sanyo Chemical Group conduct its business, competitive conditions, changes in the states of product development, relevant laws and regulations, and fluctuations in the currency exchange rate. Moreover, the factors that can affect these forward-looking statements are not limited to those listed here.

The following summary of the business results that Sanyo Chemical Group submitted Tokyo Stock Exchange is unaudited and for reference only.

Ticker code: 4471

## Consolidated Financial Highlights

### 1-1. Results of Operations

	Three months ended June 30,			
	2017		2016	
	Millions of Yen	Change	Millions of Yen	Change
Net sales	38,735	4.3%	37,141	(6.0%)
Operating income	3,175	(20.4%)	3,987	24.9%
Ordinary income	3,793	(0.5%)	3,810	6.4%
Profit attributable to owners of parent	2,543	(0.3%)	2,550	17.5%
Comprehensive income	2,907	—	(2,048)	—

	Three months ended June 30,	
	2017	2016
	Yen	Yen
Net income per share	115.38	115.68
Net income per share, diluted	—	—

\*Sanyo Chemical conducted a reverse stock split at a ratio of one share for every five shares on October 1, 2016. The figures for the earnings per share are amounts on the assumption that Sanyo Chemical conducts the reverse stock split on the beginning of previous fiscal year.

### 1-2. Financial Conditions

	As of June 30,	As of March 31,
	2017	2016
	Millions of Yen	Millions of Yen
Total assets	184,821	186,863
Net assets	129,194	127,651
Shareholders' equity ratio	66.6%	65.1%
Shareholders' equity	123,068	121,603

### 2. Cash Dividend

	Year ended March 31,		
	2017	2018	2018 (Forecast)
	Yen	Yen	Yen
Cash dividend per share			
1Q (as of June 30)	—	—	—
2Q (as of Sept. 30)	9.00	—	55.00
3Q (as of Dec. 31)	—	—	—
4Q (as of March 31)	55.00	—	55.00
Total	—	—	110.00

[Note] Revision of the latest forecasts of cash dividends announced: None

\*Sanyo Chemical conducted a reverse stock split at a ratio of one share for every five shares on October 1, 2016. The figure for interim consolidated dividends per share for FY2016 is one before Sanyo Chemical conducted the reverse stock split, and total annual dividends are shown as "—" because the number can't be obtained by simply adding.

### 3. Earnings Forecasts

	Six months ended Sept. 30,		Year ended March 31,	
	2017		2018	
	Millions of Yen	Change	Millions of Yen	Change
Net sales	80,000	11.1%	167,000	11.2%
Operating income	6,600	(12.3%)	14,000	2.6%
Ordinary income	7,500	0.5%	15,500	1.0%
Profit attributable to owners of parent	5,300	2.8%	11,000	7.9%

  

	Six months ended Sept. 30,		Year ended March 31,	
	2017		2018	
	Yen		Yen	
Net income per share	240.39		498.93	

[Note] Revisions of the latest forecasts for consolidated operating results announced: None

Notes:

1. Amounts are rounded down to the nearest million.
2. The percentage change is year-on-year change compared with the same period of the previous fiscal year.

#### 4. Notes

**(1) Significant changes in subsidiaries during the period under review (changes in specific subsidiaries causing a change in the scope of consolidation):** None

**(2) Application of special accounting methods for the preparation of consolidated quarterly financial statements:** Yes

(Note) See Page 13, “2. Consolidated Financial Statements, (4) Notes to Consolidated Financial Statements (Application of special accounting methods for the preparation of consolidated quarterly financial statements)” for more information.

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

- a. Changes in accounting policies associated with revised accounting standards, etc.: None
- b. Changes in accounting policies other than a. above: None
- c. Changes in accounting estimates: None
- d. Restatements: None

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

- a. Number of shares issued at the end of the period (including treasury shares)
  - End of three months (June 30, 2017): 23,534,752 shares
  - End of previous period (March 31, 2017): 23,534,752 shares
- b. Treasury shares at the end of the period
  - End of three months (June 30, 2017): 1,487,548 shares
  - End of previous period (March 31, 2017): 1,487,184 shares
- c. Average number of shares (cumulative for the quarter)
  - Reporting three months (ended June 30, 2017): 22,047,370 shares
  - Previous three months (ended June 30, 2016): 22,049,651 shares

\*Sanyo Chemical conducted a reverse stock split at a ratio of one share for every five shares on October 1, 2016.

The figures for the number of shares issued at the end of the period (including treasury shares), treasury shares at the end of the period and average number of shares (cumulative for the quarter) are amounts on the assumption that Sanyo Chemical conducted the reverse stock split on the beginning of previous fiscal year.

\*This quarterly financial report is not subject to quarterly review procedures.

\* Appropriate Use of Business Forecasts; Other Special Items

1. The above forecasts are based on data available as of the date of release of this document as well as assumptions based on uncertain factors, which might have a material effect on Sanyo Chemical's performance in the future. Therefore, Sanyo Chemical cannot guarantee that it will achieve the results. Actual earnings may differ significantly due to various factors. See Quarterly Financial Report (attachments) Page 7, “1. Analysis of Results of Operations and Financial Position, (3) Qualitative Information Concerning Future Forecast such as Consolidated Earnings Forecasts” for more information regarding the circumstances behind the assumptions used in earnings forecasts and matters to be noted when relying on earnings forecasts.

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# 1. Analysis of Results of Operations and Financial Position

## (1) Qualitative Information Concerning Consolidated Business Results

During the first three months (April 1, 2017 through June 30, 2017) of the current fiscal year, the Japanese economy continues a mild upswing due to recovery of private consumption and export increase in addition to steady capacity investment. And, the outlook for the circumstance surrounding Japan mostly performed smoothly such as a sign of economic recovery in Europe and a break in Chinese economic slowdown in addition to steady economy in the United States.

In the chemical industry, business environment remains severe mainly because exchange rate is uncertain, though a continuing increase in raw material costs recently turned downward.

Under these circumstances, net sales in the first three months of current fiscal year increased by 4.3% from the same period of the previous fiscal year, to ¥38,735 million due to sales volume increase, appropriate sales price revision to respond to a rise in raw material costs and other factors. In terms of profit, however, Sanyo Chemical Group decreased from the same period of the previous fiscal year mainly because of reduction of spread between sales and purchase to respond to a hike in raw materials costs, despite sales volume increase. As a result, operating income was ¥3,175 million (a 20.4% decrease from the same period of the previous fiscal year), and ordinary income was ¥3,793 million (a 0.5% decrease). Profit attributable to owners of parent was ¥2,543 million (a 0.3% decrease).

## 1) Business Performance

(Millions of yen)

	1Q of FY 2016	1Q of FY 2017	Changed amount		FY 2016
			(Amount)	(Ratio)	
Net sales	37,141	38,735	1,594	4.3%	150,166
Operating income	3,987	3,175	(812)	(20.4%)	13,647
Ordinary income	3,810	3,793	(17)	(0.5%)	15,341
Profit attributable to owners of parent	2,550	2,543	(6)	(0.3%)	10,192
Net income per share	¥115.68	¥115.38	(¥0.30)	(0.3%)	¥462.28
ROA (Return on assets*)	8.9%	8.2%	-	(0.7point)	8.5%
ROE (Return on equity)	9.2%	8.3%	-	(0.9point)	8.7%
Currency exchange(\$, CNY)	\$=¥108.17 CNY=¥16.53	\$=¥111.10 CNY=¥16.22	¥2.93 (¥0.31)		\$=¥108.39 CNY=¥16.10
Naphtha price	¥31,600/kl	¥39,100/kl	¥7,500/kl		¥34,700/kl

\* ROA (Return on assets) is calculated based on ordinary income.

Notes:

1. ROA and ROE for 1Q of FY 2016 and FY 2017 are annualized.

2. Sanyo Chemical conducted a reverse stock split at a ratio of one share for every five shares on October 1, 2016. The figures for the earnings per share are amounts on the assumption that Sanyo Chemical conducted the reverse stock split on the beginning of previous fiscal year.

## 2) Business Performance by Segment

(Millions of yen)

	1Q of FY2016		1Q of FY2017		Changed amount		FY2016	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Toiletries and Health Care	13,196	1,302	13,931	453	735	(849)	55,442	3,598
Petroleum and Automotives	8,711	332	9,783	677	1,072	344	37,496	2,110
Plastics and Textiles	5,409	1,089	5,609	1,025	200	(63)	21,155	4,177
Information and Electrics/Electronics	5,740	996	5,078	782	(662)	(213)	19,368	2,774
Environmental Protection, Construction and Others	4,084	267	4,332	237	248	(29)	16,702	986

## **Toiletries and Health Care**

Sales in the Toiletries segment remained unchanged because demand for some surfactants used for liquid laundry detergents decreased, though sales for hair care products increased steadily.

In Health Care segment, profit decreased substantially because of reduction of spread between sales and purchase to respond to a hike in raw materials costs, though sales increased briskly because of foreign demand increase for superabsorbent polymers and successful sales expansion of new products.

As a result, total net sales in this segment increased by 5.6% from the same period of the previous fiscal year, to ¥13,931 million. Operating income was ¥453 million (a 65.2% decrease).

## **Petroleum and Automotives**

Petroleum and Automotives segment increased substantially in sales and profit. This was due to steady sales increase of raw materials for polyurethane foams used in automobile seats and other applications in Japan, and domestic and foreign sales expansion of lubricating oil additives, in addition to sales expansion of high functional products of thermoplastic polyurethane beads for the interior parts of automobiles.

As a result, total net sales in this segment increased by 12.3% from the same period of the previous fiscal year, to ¥9,783 million. Operating income was ¥677 million (a 103.6% increase).

## **Plastics and Textiles**

In Plastics segment, sales increased briskly because of sales increase of permanent antistatic agents mainly abroad, and firm demand for active agents for rubbers and plastics.

The Textiles segment increased briskly in sales because sales of chemicals for carbon fibers increased mainly abroad, despite weak sales of polyurethane resins used for synthetic leather and elastomer fiber, and fiberglass agents.

As a result, total net sales in this segment increased by 3.7% from the same period of the previous fiscal year, to ¥5,609 million. Operating income was ¥1,025 million (a 5.8% decrease).

## **Information and Electrics/Electronics**

Sales in the Information segment decreased in sales and profit. This was mainly because of late start-up of production increase for new products of polyester beads as a core component of polymerization toners, despite steady demand increase for toner resins for pulverized toners.

Sales in the Electrics/Electronics segment increased briskly because steady demand for UV/EB curing resins.

As a result, total net sales in this segment decreased by 11.5% from the same period of the previous fiscal year, to ¥5,078 million. Operating income was ¥782 million (a 21.5% decrease).

## **Environmental Protection, Construction and Others**

Sales in the Environmental Protection segment were flat because the market of polymer flocculants and cationic monomers (polymer flocculant materials) remained weak.

Sales of Construction segment increased briskly. This was mainly thanks to strong sales increase of cement agents as materials used for civil engineering and building work, and slight sales increase of raw materials for polyurethane foams used in furniture and heat insulating materials, and raw materials for building sealants.

As a result, total net sales in this segment increased by 6.1% from the same period of the previous fiscal year, to ¥4,332 million. However, operating income was ¥237 million (a 11.2% decrease) mainly due to reduction of spread between sales and purchase.

## (2) Analysis of Financial Position

The Group's financial position at the end of this first three-month period was as follows:

Total assets decreased by ¥2,042 million compared to the previous consolidated fiscal year end, amounting to ¥184,821 million.

Net assets increased by ¥1,543 million from the previous consolidated fiscal year end, to ¥129,194 million. Our shareholder's equity ratio increased by 1.5 percentage point from the previous consolidated fiscal year end, to 66.6%.

Cash and cash equivalents ("Cash") as of the end of this first three months of the current consolidated fiscal year amounted to ¥16,576 million. This marked a decrease of ¥6,562 million compared to the end of the previous consolidated fiscal year (cash decreased by ¥1,686 million during the same period of the previous fiscal year).

The cash flow movements during the period and the factors influencing them were as follows:

### Cash Flows from Operating Activities

Net cash provided by operating activities amounted to ¥1,513 million (¥3,467 million in net cash provided during the same period of the previous fiscal year). This result was mainly due to the cash inflow from profit before income taxes of ¥3,639 million, depreciation and amortization of ¥2,031 million, and the increase in notes and accounts payable-trade of ¥1,702 million, which outweighed the outflow from income taxes paid of ¥1,729 million, and the increase in notes and accounts receivable-trade of ¥1,587 million and the increase in inventories of ¥1,554.

### Cash Flows from Investing Activities

Net cash used in investing activities amounted to ¥2,814 million (¥2,711 million in net cash used during the same period of the previous fiscal year). This result was mainly due to cash outlays of ¥2,781 million for fixed assets.

### Cash Flows from Financing Activities

Net cash used in financing activities amounted to ¥5,294 million (¥829 million in net cash used during the same period of the previous fiscal year). This result was mainly the cash outflow from the decrease in short-term loans payable of ¥3,468 million (net) and cash dividends paid of ¥1,197 million.

## (3) Qualitative Information Concerning Future Forecast such as Consolidated Earnings Forecasts

We have not made any changes to the consolidated earnings forecasts for the full year that we announced on April 28, 2017.

The rates of progress in the three months toward the full-year consolidated earnings forecasts announced on April 28, 2017 are shown in the table below.

(Millions of yen)

	Net Sales	Operating Income	Ordinary Income	Profit attributable to owners of parent
Half year consolidated earnings forecasts	80,000	6,600	7,500	5,300
Progress to forecasts (%)	48.4	48.1	50.6	48.0
Full year consolidated earnings forecasts	167,000	14,000	15,500	11,000
Progress to forecasts (%)	23.2	22.7	24.5	23.1

Note: These earnings forecasts were based on information available at the time announced. Actual earnings may differ due to various factors occurring in the future.



## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

	Millions of Yen	
	As of Mar. 31, 2017	As of June 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	23,138	16,576
Notes and accounts receivable - trade	38,689	39,691
Electronically recorded monetary claims - operating	2,406	3,037
Merchandise and finished goods	10,607	11,991
Semi-finished goods	3,321	3,349
Work in process	518	386
Raw materials and supplies	3,969	4,303
Deferred tax assets	1,226	1,189
Other	1,489	2,277
Allowance for doubtful accounts	(34)	(34)
Total current assets	85,334	82,768
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,576	17,411
Machinery, equipment and vehicles, net	28,362	27,923
Land	8,764	8,766
Construction in progress	6,489	8,104
Other, net	2,337	2,272
Total property, plant and equipment	63,530	64,478
Intangible assets		
Software	866	806
Goodwill	801	767
Other	1,121	1,137
Total intangible assets	2,788	2,711
Investments and other assets		
Investment securities	32,370	32,029
Long-term loans receivable	3	4
Deferred tax assets	216	215
Net defined benefit asset	1,491	1,504
Other	1,160	1,141
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	35,210	34,863
Total non-current assets	101,529	102,053
Total assets	186,863	184,821

	Millions of Yen	
	As of Mar. 31, 2017	As of June 30, 2017
Liabilities		
Current liabilities		
Accounts payable - trade	19,552	20,790
Electronically recorded obligations - operating	4,546	5,051
Short-term loans payable	5,708	2,247
Current portion of long-term loans payable	1,515	1,510
Accrued expenses	3,041	3,088
Income taxes payable	1,873	857
Provision for bonuses	2,041	1,019
Provision for directors' bonuses	104	26
Electronically recorded obligations - non-operating	1,347	1,773
Other	4,732	4,997
Total current liabilities	44,464	41,362
Non-current liabilities		
Long-term loans payable	7,981	7,490
Deferred tax liabilities	5,170	5,176
Provision for directors' retirement benefits	275	295
Net defined benefit liability	494	507
Other	826	793
Total non-current liabilities	14,747	14,264
Total liabilities	59,212	55,627
Net assets		
Shareholders' equity		
Capital stock	13,051	13,051
Capital surplus	12,194	12,194
Retained earnings	88,697	90,028
Treasury shares	(5,745)	(5,747)
Total shareholders' equity	108,197	109,527
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,790	12,703
Foreign currency translation adjustment	396	637
Remeasurements of defined benefit plans	219	199
Total accumulated other comprehensive income	13,405	13,540
Non-controlling interests	6,047	6,126
Total net assets	127,651	129,194
Total liabilities and net assets	186,863	184,821

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

### (2)- (1) Consolidated Statements of Income

	Millions of Yen	
	Three months ended June 30,	
	2016	2017
Net sales	37,141	38,735
Cost of sales	27,750	30,086
Gross profit	9,390	8,648
Selling, general and administrative expenses	5,402	5,472
Operating income	3,987	3,175
Non-operating income		
Interest income	19	9
Dividend income	311	320
Share of profit of entities accounted for using equity method	208	132
Real estate rent	67	80
Foreign exchange gains	—	121
Other	58	55
Total non-operating income	665	721
Non-operating expenses		
Interest expenses	37	29
Rent cost of real estate	15	25
Loss on abandonment of inventories	17	20
Foreign exchange losses	747	—
Other	24	27
Total non-operating expenses	842	103
Ordinary income	3,810	3,793
Extraordinary income		
Insurance income	5	—
Total extraordinary income	5	—
Extraordinary losses		
Loss on retirement of non-current assets	132	153
Other	1	—
Total extraordinary losses	134	153
Profit before income taxes	3,681	3,639
Income taxes	904	967
Profit	2,776	2,671
Profit attributable to non-controlling interests	226	127
Profit attributable to owners of parent	2,550	2,543

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

	Millions of Yen	
	Three months ended June 30,	
	2016	2017
Profit	2,776	2,671
Other comprehensive income		
Valuation difference on available-for-sale securities	(961)	(87)
Foreign currency translation adjustment	(3,863)	342
Remeasurements of defined benefit plans, net of tax	(0)	(19)
Total other comprehensive income	(4,825)	235
Comprehensive income	(2,048)	2,907
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	(1,369)	2,678
Comprehensive income attributable to non-controlling interests	(678)	228

### (3) Consolidated Statements of Cash Flows

	Millions of Yen	
	Three months ended June 30,	
	2016	2017
Cash flows from operating activities		
Profit before income taxes	3,681	3,639
Depreciation	1,770	2,031
Loss on retirement of non-current assets	132	153
Amortization of goodwill	33	33
Increase (decrease) in provision for bonuses	(969)	(1,023)
Changes in net defined benefit asset and liability	(127)	(27)
Increase (decrease) in provision for directors' retirement benefits	(195)	20
Increase (decrease) in provision for directors' bonuses	(66)	(78)
Interest and dividend income	(331)	(330)
Interest expenses	37	29
Share of (profit) loss of entities accounted for using equity method	(208)	(132)
Decrease (increase) in notes and accounts receivable - trade	(211)	(1,587)
Decrease (increase) in inventories	33	(1,554)
Increase (decrease) in notes and accounts payable - trade	(504)	1,702
Other, net	1,381	(333)
Subtotal	4,458	2,543
Interest and dividend income received	597	732
Interest expenses paid	(56)	(32)
Income taxes paid	(1,531)	(1,729)
Net cash provided by (used in) operating activities	3,467	1,513
Cash flows from investing activities		
Purchase of non-current assets	(2,681)	(2,781)
Other, net	(29)	(32)
Net cash provided by (used in) investing activities	(2,711)	(2,814)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	860	(3,468)
Repayments of long-term loans payable	(637)	(477)
Net decrease (increase) of treasury shares	(1)	(1)
Cash dividends paid	(979)	(1,197)
Dividends paid to non-controlling interests	(72)	(149)
Net cash provided by (used in) financing activities	(829)	(5,294)
Effect of exchange rate change on cash and cash equivalents	(1,006)	33
Net increase (decrease) in cash and cash equivalents	(1,078)	(6,562)
Cash and cash equivalents at beginning of period	19,323	23,138
Increase (decrease) in cash and cash equivalents resulting from changes in the fiscal year-end of subsidiaries	(607)	—
Cash and cash equivalents at end of period	17,636	16,576

#### **(4) Notes to Consolidated Financial Statements**

(Notes to Going Concern Assumptions)

None

(Notes on Significant Changes in the Amount of Shareholders' Equity)

None

(Application of special accounting methods for the preparation of consolidated quarterly financial statements)

After applying tax effect accounting to income before income taxes and minority interests for the fiscal year, which includes this three months under review, we make a reasonable estimate of the effective tax rate and multiply income before income taxes and minority interests by that estimated effective tax rate. Furthermore, income tax adjustments are included in the presentation of income taxes.

**(Segment Information)**

[Previous Consolidated Fiscal Year (April 1, 2016 through June 30, 2016)]

**Information regarding sales, operating income or loss, assets, liabilities and other items by reporting segment**

(Millions of yen)

	Reporting Segment						Adjustment	Total
	Toiletries and Health Care	Petroleum and Automotives	Plastics and Textiles	Information and Electrics/Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to third parties	13,196	8,711	5,409	5,740	4,084	37,141	—	37,141
Intersegment sales/transfers	—	—	4	—	67	71	(71)	—
Subtotal	13,196	8,711	5,414	5,740	4,151	37,213	(71)	37,141
Segment income	1,302	332	1,089	996	267	3,987	—	3,987

Note: Segment income is adjusted for Operating Income described in Consolidated Statements of Income.

[Current Consolidated Fiscal Year (April 1, 2017 through June 30, 2017)]

**(1) Information regarding sales, operating income or loss, assets, liabilities and other items by reporting segment**

(Millions of yen)

	Reporting Segment						Adjustment	Total
	Toiletries and Health Care	Petroleum and Automotives	Plastics and Textiles	Information and Electrics/Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to third parties	13,931	9,783	5,609	5,078	4,332	38,735	—	38,735
Intersegment sales/transfers	—	—	4	—	45	50	(50)	—
Subtotal	13,931	9,783	5,614	5,078	4,378	38,785	(50)	38,735
Segment income	453	677	1,025	782	237	3,175	—	3,175

Note: Segment income is adjusted for Operating Income described in Consolidated Statements of Income.

## <Reference>

### [Information by Geographic Segment]

[Cumulative Three Months of the Previous Consolidated Fiscal Year (April 1, 2016 through June 30, 2016)]

(Millions of yen)

	Japan	USA	China	Others	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	29,104	1,195	6,013	826	37,141	—	37,141
(2) Sales from inter-segment transactions and transfers	1,382	—	582	7	1,972	(1,972)	—
Total	30,487	1,195	6,595	834	39,113	(1,972)	37,141
Operating income (loss)	3,277	(76)	715	14	3,930	56	3,987

[Cumulative Three Months of the Current Consolidated Fiscal Year (April 1, 2017 through June 30, 2017)]

(Millions of yen)

	Japan	USA	China	Others	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	29,895	1,486	6,491	861	38,735	—	38,735
(2) Sales from inter-segment transactions and transfers	1,838	8	437	14	2,299	(2,299)	—
Total	31,733	1,495	6,929	875	41,034	(2,299)	38,735
Operating income (loss)	3,202	56	(107)	0	3,152	23	3,175

### [Overseas Sales]

[Cumulative Three Months of the Previous Consolidated Fiscal Year (April 1, 2016 through June 30, 2016)]

(Millions of yen)

	Asia	(of which, China)	Americas	Others	Total
I. Overseas sales	10,279	(6,095)	1,886	2,126	14,292
II. Consolidated sales	—	—	—	—	37,141
III. Percentage of overseas sales to consolidated sales (%)	27.7	(16.4)	5.1	5.7	38.5

[Cumulative Three Months of the Current Consolidated Fiscal Year (April 1, 2017 through June 30, 2017)]

(Millions of yen)

	Asia	(of which, China)	Americas	Others	Total
I. Overseas sales	10,675	(6,051)	2,378	2,429	15,483
II. Consolidated sales	—	—	—	—	38,735
III. Percentage of overseas sales to consolidated sales (%)	27.6	(15.6)	6.1	6.3	40.0

#### Notes:

- The term “overseas sales” refers to sales of the parent company and its consolidated subsidiaries registered in countries and regions outside Japan.
- Areas included in each country or region are determined based on their degree of proximity.
- Main countries or regions included in each geographic segment
  - (1) Asia: Korea, China, Indonesia, India, Thailand, etc.
  - (2) Americas: USA, Mexico, Brazil, etc.
  - (3) Other: Australia, Europe, Russia, the Middle East, etc.



### 3. Supplementary Information

#### Trend of Each Quarter Results (Consolidated)

Previous Fiscal Year	(Millions of yen)				
	FY 2016				
	1Q	2Q	3Q	4Q	Total
	April 2016 through June 2016	July 2016 through Sept. 2016	Oct. 2016 through Dec. 2016	Jan. 2017 through March 2017	April 2016 through March 2017
Net sales	37,141	34,893	39,496	38,635	150,166
Operating income	3,987	3,536	3,555	2,567	13,647
Ordinary income	3,810	3,655	5,005	2,870	15,341
Profit attributable to owners of parent	2,550	2,604	3,428	1,608	10,192
Comprehensive income	(2,048)	3,454	7,741	2,048	11,196

Current Fiscal Year	(Millions of yen)		
	FY 2017	Change	
	1Q	The same period of the previous fiscal year	The previous period
	April 2017 through June 2017	April 2016 through June 2016	Jan. 2017 through March 2017
Net sales	38,735	4.3%	0.3%
Operating income	3,175	(20.4%)	23.7%
Ordinary income	3,793	(0.5%)	32.2%
Profit attributable to owners of parent	2,543	(0.3%)	58.1%
Comprehensive income	2,907	—	41.9%