

Condensed Consolidated Financial Information

(Japanese Standard)
**for the Six Months
Ended Sept. 30, 2018**

(April 1, 2018 through Sept. 30, 2018)

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

	Six months ended Sept. 30,			
	2018		2017	
	Millions of Yen	Change	Millions of Yen	Change
Net sales	81,957	5.0%	78,075	8.4%
Operating profit	6,790	15.5%	5,880	(21.9%)
Ordinary profit	8,579	23.8%	6,930	(7.2%)
Profit attributable to owners of parent	5,948	24.4%	4,780	(7.3%)
Comprehensive income	8,595	12.3%	7,655	444.3%

	Six months ended Sept. 30,	
	2018	2017
	Yen	Yen
Net income per share	269.83	216.82
Net income per share, diluted	-	-

1-2. Financial Conditions

	As of Sept. 30,	As of March 31,
	2018	2018
	Millions of Yen	Millions of Yen
Total assets	205,966	199,179
Net assets	143,483	136,270
Shareholders' equity ratio	66.6%	65.3%
Shareholders' equity	137,168	130,099

2. Cash Dividend

	Year ended March 31,		
	2018	2019	2019 (Forecast)
	Yen	Yen	Yen
Cash dividend per share			
1Q (as of June 30)	-	-	-
2Q (as of Sept. 30)	55.00	60.00	-
3Q (as of Dec. 31)	-	-	-
4Q (as of March 31)	55.00	-	60.00
Total	110.00	-	120.00

[Note] Revisions of the latest forecasts for cash dividend announced: None

3. Earnings Forecasts

	Year ended March 31,	
	2019	
	Millions of Yen	Change
Net sales	172,000	6.4%
Operating profit	13,000	8.3%
Ordinary profit	14,500	4.6%
Profit attributable to owners of parent	10,000	7.8%

	Year ended March 31,	
	2019	
	Yen	
Net income per share	453.61	

[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 six months (Sept. 30, 2018): 23,534,752 shares
 - End of previous period (March 31, 2018): 23,534,752 shares
- b. Treasury shares at the end of the period
 - End of six months (Sept. 30, 2018): 1,489,368 shares
 - End of previous period (March 31, 2018): 1,488,561 shares
- c. Average number of shares (cumulative for the quarter)
 - Reporting six months (ended Sept. 30, 2018): 22,045,739 shares
 - Same six months of previous period (ended Sept. 30, 2017): 22,047,188 shares

* “Treasury shares at the end of the period” include stocks owned by Sanyo Chemical and by the fund whose beneficiaries are directors of Sanyo Chemical.

“Average number of shares” does not include stocks owned by Sanyo Chemical and by the fund whose beneficiaries are directors of Sanyo Chemical.

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

* Appropriate Use of Business Forecasts; Other Special Items

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 six months (April 1, 2018 through Sept. 30, 2018) of the current fiscal year, the Japanese economy continues an upswing mainly due to mild increase of capacity investment and export, and recovery of private consumption. And, the outlook for the circumstance surrounding Japan mostly performed smoothly such as a continuous solid recovery of European economy in addition to steady economy in the United States, in spite of Chinese economic slowdown.

In the chemical industry, business environment increases severe because an upward in raw material costs, though exchange rate keeps steadily.

Under these circumstances, net sales in the first six months of current fiscal year increased by 5.0% from the same period of the previous fiscal year, to ¥81,957 million due to appropriate sales price revision to respond to a rise in raw material costs and other factors. In terms of profit, Sanyo Chemical Group increased from the same period of the previous fiscal year mainly because of sales volume increase. As a result, operating profit was ¥6,790 million (a 15.5% increase from the same period of the previous fiscal year), and ordinary profit was ¥8,579 million (a 23.8% increase). Profit attributable to owners of parent was ¥5,948 million (a 24.4% increase).

1) Business Performance

(Millions of yen)

	1H of FY 2017	1H of FY 2018	Changed amount		FY 2017
			(Amount)	(Ratio)	
Net sales	78,075	81,957	3,882	5.0%	161,692
Operating profit	5,880	6,790	910	15.5%	11,999
Ordinary profit	6,930	8,579	1,648	23.8%	13,866
Profit attributable to owners of parent	4,780	5,948	1,168	24.4%	9,272
Net income per share	¥216.82	¥269.83	¥53.01	24.4%	¥420.57
ROA (Return on assets*)	7.3%	8.5%	-	1.2point	7.2%
ROE (Return on equity)	7.7%	8.9%	-	1.2point	7.4%
Currency exchange(\$, CNY)	\$=¥111.06 CNY=¥16.42	\$=¥110.27 CNY=¥16.74		(¥0.79) ¥0.32	\$=¥110.86 CNY=¥16.74
Naphtha price in Japan	¥37,600/kl	¥51,100/kl		¥13,500/kl	¥41,900/kl

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

Notes: ROA and ROE for 1H of FY 2017 and FY 2018 are annualized.

2) Business Performance by Segment

(Millions of yen)

	1H of FY2017		1H of FY2018		Changed amount		FY2017	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Toiletries and Health Care	29,266	685	29,888	1,257	622	571	59,950	1,132
Petroleum and Automotives	19,707	1,360	20,858	1,289	1,150	(70)	41,115	2,719
Plastics and Textiles	10,950	1,918	11,153	1,785	202	(132)	22,191	3,964
Information and Electrics/Electronics	9,573	1,363	11,060	1,945	1,487	582	20,487	3,207
Environmental Protection, Construction and Others	8,576	553	8,996	512	419	(40)	17,948	974

Toiletries and Health Care

Sales in the Toiletries segment increased substantially because of positive demand for polyethyleneglycol on the domestic and foreign market and brisk sales of liquid laundry detergents.

In Health Care segment, profit increased due to appropriate sales price revision, though sales were flat because of weak sales of superabsorbent polymers, our main products.

As a result, total net sales in this segment increased by 2.1% from the same period of the previous fiscal year, to ¥29,888 million. Operating profit was ¥1,257 million (a 83.4% increase).

Petroleum and Automotives

In the Petroleum and Automotives segment, sales increased. This was due to strong sales expansion of raw materials for polyurethane foams used in automobile seats and other applications in domestic and lubricating oil additives on the domestic and foreign market, despite demand decrease for thermoplastic polyurethane beads for the interior parts of automobiles due to the changes of the mounted vehicle types.

As a result, total net sales in this segment increased by 5.8% from the same period of the previous fiscal year, to ¥20,858 million. Operating profit was ¥1,289 million (a 5.2% decrease).

Plastics and Textiles

In the Plastics segment, sales increased because of domestic and foreign sales increase of permanent antistatic agents, and steady demand for surfactants used for rubber and plastics, despite weak demand for domestic paint additives.

The Textiles segment was weak in sales due to weak sales of fiberglass agents and chemicals for carbon fibers, despite brisk sales of polyurethane resins used for synthetic leathers and elastomer fibers.

As a result, total net sales in this segment increased by 1.9% from the same period of the previous fiscal year, to ¥11,153 million. Operating profit was ¥1,785 million (a 6.9% decrease).

Information and Electrics/Electronics

Sales in the Information segment increased substantially. This was because of sales expansion of new products of polyester beads as a core component of polymerization toners, despite sales decrease of toner resins for pulverized toners due to customers' temporary inventory adjustment.

Sales in the Electrics/Electronics segment stayed flat because adhesives for electronic parts experienced a downturn in demand, despite steady demand for UV/EB curing resins.

As a result, total net sales in this segment increased by 15.5% from the same period of the previous fiscal year, to ¥11,060 million. Operating profit was ¥1,945 million (a 42.7% increase).

Environmental Protection, Construction and Others

Sales in the Environmental Protection segment increased because of brisk demand for cationic monomers (polymer flocculant materials), though the market of polymer flocculants remained weak.

Sales of Construction segment increased. This was thanks to brisk sales increase of raw materials for polyurethane foams used in furniture and heat insulating materials, despite weak sales of cement agents as materials used for civil engineering and building work.

As a result, total net sales in this segment increased by 4.9% from the same period of the previous fiscal year, to ¥8,996 million. Operating profit was ¥512 million (a 7.3% decrease).

(2) Analysis of Financial Position

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

Total assets increased by ¥6,786 million compared to the previous consolidated fiscal year end, amounting to ¥205,966 million.

Net assets increased by ¥7,213 million from the previous consolidated fiscal year end, to ¥143,483 million. Our shareholder's equity ratio increased by 1.3 percentage point from the previous consolidated fiscal year end, to 66.6%.

Cash and cash equivalents ("Cash") as of the end of this first six months of the current consolidated fiscal year amounted to ¥15,955 million. This marked a decrease of ¥1,422 million compared to the end of the previous consolidated fiscal year (cash decreased by ¥5,961 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 ¥6,480 million (compared to ¥6,266 million in net cash provided during the previous fiscal year). This result was mainly due to the cash inflow from income before income taxes and minority interests of ¥8,245 million, and depreciation and amortization of ¥4,315 million, which outweighed the outflow from the increase in inventories of ¥1,955 million and income taxes paid of ¥1,443 million.

Cash Flows from Investing Activities

Net cash used in investing activities amounted to ¥7,220 million (compared to ¥7,524 million in net cash used during the previous fiscal year). This result was mainly due to a cash outlay of ¥6,805 million for purchase of fixed assets.

Cash Flows from Financing Activities

Net cash used in financing activities amounted to ¥699 million (¥4,803 million in net cash used during the same period of the previous fiscal year). This result was mainly due to the cash outflow from cash dividends paid of ¥1,211 million and repayments of long-term loans payable of ¥1,022 million, which outweighed the inflow from the increase in short-term loans payable of ¥1,704 million (net).

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

Consolidated earnings during this first six-month period exceeded the consolidated earnings forecasts for the full year that we announced on May 2018. However we have not made any change to the consolidated earnings forecasts for the full year because we forecast the deterioration in earnings due to sharp gain in raw material costs.

The rates of progress in the six months toward the full-year consolidated earnings forecasts announced on May 8, 2018 are shown in the table below.

(Millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Half year consolidated earnings forecasts	84,000	6,300	7,100	4,900
Progress to forecasts (%)	97.6	107.8	120.8	121.4
Full year consolidated earnings forecasts	172,000	13,000	14,500	10,000
Progress to forecasts (%)	47.6	52.2	59.2	59.5

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, 2018	As of Sept. 30, 2018
Assets		
Current assets		
Cash and deposits	17,377	15,955
Notes and accounts receivable - trade	46,075	47,112
Electronically recorded monetary claims - operating	2,601	2,297
Merchandise and finished goods	12,342	13,610
Semi-finished goods	3,442	3,642
Work in process	586	467
Raw materials and supplies	4,376	5,122
Other	2,179	2,334
Allowance for doubtful accounts	(38)	(39)
Total current assets	88,942	90,503
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,717	20,237
Machinery, equipment and vehicles, net	30,399	38,844
Land	8,894	8,887
Construction in progress	10,339	862
Other, net	2,532	2,316
Total property, plant and equipment	69,883	71,148
Intangible assets		
Software	948	1,030
Goodwill	667	600
Other	1,167	1,194
Total intangible assets	2,782	2,825
Investments and other assets		
Investment securities	33,644	37,338
Long-term loans receivable	7	7
Deferred tax assets	721	721
Net defined benefit asset	1,750	1,785
Other	1,470	1,660
Allowance for doubtful accounts	(24)	(25)
Total investments and other assets	37,570	41,488
Total non-current assets	110,236	115,462
Total assets	199,179	205,966

	Millions of Yen	
	As of Mar. 31, 2018	As of Sept. 30, 2018
Liabilities		
Current liabilities		
Accounts payable - trade	25,144	23,389
Electronically recorded obligations - operating	7,156	7,695
Short-term loans payable	2,625	4,371
Current portion of long-term loans payable	2,212	2,163
Accrued expenses	3,264	3,400
Income taxes payable	1,436	1,896
Provision for bonuses	1,978	2,076
Provision for directors' bonuses	104	54
Electronically recorded obligations - non-operating	1,154	828
Other	5,119	4,181
Total current liabilities	50,197	50,058
Non-current liabilities		
Long-term loans payable	5,762	4,781
Deferred tax liabilities	4,568	5,316
Provision for directors' retirement benefits	354	—
Provision for loss on factory closing	360	317
Stock-based compensation allowance	—	19
Net defined benefit liability	513	76
Asset retirement obligations	400	400
Other	753	1,512
Total non-current liabilities	12,712	12,423
Total liabilities	62,909	62,482
Net assets		
Shareholders' equity		
Capital stock	13,051	13,051
Capital surplus	12,194	12,290
Retained earnings	95,544	100,280
Treasury shares	(5,752)	(5,853)
Total shareholders' equity	115,037	119,769
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,656	15,791
Foreign currency translation adjustment	1,126	1,353
Remeasurements of defined benefit plans	279	253
Total accumulated other comprehensive income	15,062	17,398
Non-controlling interests	6,170	6,315
Total net assets	136,270	143,483
Total liabilities and net assets	199,179	205,966

(2) Consolidated Statements of Income and Comprehensive Income

(2)- (1) Consolidated Statements of Income

	Millions of Yen	
	Six months ended Sept. 30,	
	2017	2018
Net sales	78,075	81,957
Cost of sales	61,240	63,977
Gross profit	16,834	17,980
Selling, general and administrative expenses	10,953	11,189
Operating profit	5,880	6,790
Non-operating income		
Interest income	18	22
Dividend income	457	461
Share of profit of entities accounted for using equity method	273	865
Real estate rent	161	176
Foreign exchange gains	290	456
Other	88	49
Total non-operating income	1,289	2,031
Non-operating expenses		
Interest expenses	62	63
Rent cost of real estate	51	52
Loss on abandonment of inventories	37	41
Other	87	86
Total non-operating expenses	239	243
Ordinary profit	6,930	8,579
Extraordinary income		
Gain on sales of non-current assets	—	22
Gain on sales of investment securities	—	8
Insurance income	0	41
Total extraordinary income	0	71
Extraordinary losses		
Loss on sales of non-current assets	—	7
Loss on retirement of non-current assets	404	398
Total extraordinary losses	404	406
Profit before income taxes	6,526	8,245
Income taxes	1,566	2,014
Profit	4,959	6,231
Profit attributable to non-controlling interests	179	282
Profit attributable to owners of parent	4,780	5,948

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

	Millions of Yen	
	Six months ended Sept. 30,	
	2017	2018
Profit	4,959	6,231
Other comprehensive income		
Valuation difference on available-for-sale securities	1,737	2,135
Foreign currency translation adjustment	997	254
Remeasurements of defined benefit plans, net of tax	(39)	(25)
Total other comprehensive income	2,695	2,364
Comprehensive income	7,655	8,595
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	7,207	8,285
Comprehensive income attributable to non-controlling interests	447	310

(3) Consolidated Statements of Cash Flows

	Millions of Yen	
	Six months ended Sept. 30,	
	2017	2018
Cash flows from operating activities		
Profit before income taxes	6,526	8,245
Depreciation	4,076	4,315
Loss on retirement of non-current assets	404	398
Amortization of goodwill	66	66
Increase (decrease) in provision for bonuses	(89)	97
Changes in net defined benefit asset and liability	(60)	(122)
Increase (decrease) in provision for directors' retirement benefits	40	20
Increase (decrease) in provision for directors' bonuses	(52)	(49)
Interest and dividend income	(475)	(484)
Interest expenses	62	63
Share of loss (profit) of entities accounted for using equity method	(273)	(865)
Decrease (increase) in notes and accounts receivable - trade	(5,245)	(833)
Decrease (increase) in inventories	(1,574)	(1,955)
Increase (decrease) in notes and accounts payable - trade	5,095	(1,185)
Other, net	(1,284)	(471)
Subtotal	7,216	7,240
Interest and dividend income received	877	749
Interest expenses paid	(66)	(65)
Income taxes paid	(1,761)	(1,443)
Net cash provided by (used in) operating activities	6,266	6,480
Cash flows from investing activities		
Purchase of non-current assets	(6,956)	(6,805)
Proceeds from sales of property, plant and equipment	—	37
Purchase of investment securities	(2)	(2)
Proceeds from sales of investment securities	—	11
Other, net	(565)	(460)
Net cash provided by (used in) investing activities	(7,524)	(7,220)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(2,953)	1,704
Repayments of long-term loans payable	(484)	(1,022)
Net decrease (increase) of treasury shares	(3)	(4)
Cash dividends paid	(1,212)	(1,211)
Dividends paid to non-controlling interests	(149)	(165)
Net cash provided by (used in) financing activities	(4,803)	(699)
Effect of exchange rate change on cash and cash equivalents	99	16
Net increase (decrease) in cash and cash equivalents	(5,961)	(1,422)
Cash and cash equivalents at beginning of period	23,138	17,377
Cash and cash equivalents at end of period	17,177	15,955

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

(Additional Information)

(Application of Partial Amendments to Accounting Standard for Tax Effect Accounting, etc.)

Our Group applied Partial Amendments to Accounting Standard for Tax Effect Accounting, etc. (ASBJ Statement No. 28) from the first quarter for fiscal year 2018. In addition, deferred tax assets have been recorded in "Investments and other assets" and deferred tax liabilities have been recorded in "Long-term liabilities" in the Consolidated Balance Sheets.

(Segment Information)

[Previous Consolidated Fiscal Year (April 1, 2017 through Sept. 30, 2017)]

Information regarding sales, operating profit 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	29,266	19,707	10,950	9,573	8,576	78,075	—	78,075
Intersegment sales/transfers	—	—	4	—	134	138	(138)	—
Subtotal	29,266	19,707	10,955	9,573	8,711	78,214	(138)	78,075
Segment profit	685	1,360	1,918	1,363	553	5,880	—	5,880

Note: Segment profit is adjusted for operating profit described in Consolidated Statements of Income.

[Current Consolidated Fiscal Year (April 1, 2018 through Sept. 30, 2018)]

Information regarding sales, operating profit 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	29,888	20,858	11,153	11,060	8,996	81,957	—	81,957
Intersegment sales/transfers	—	—	4	—	34	39	(39)	—
Subtotal	29,888	20,858	11,158	11,060	9,030	81,996	(39)	81,957
Segment profit	1,257	1,289	1,785	1,945	512	6,790	—	6,790

Note: Segment profit is adjusted for operating profit described in Consolidated Statements of Income.

<Reference>

[Information by Geographic Segment]

[Cumulative Six Months of the Previous Consolidated Fiscal Year (April 1, 2017 through Sept. 30, 2017)]

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	57,863	3,222	15,351	1,637	78,075	—	78,075
(2) Sales from inter-segment transactions and transfers	3,798	18	1,009	24	4,850	(4,850)	—
Total	61,661	3,241	16,361	1,661	82,925	(4,850)	78,075
Operating profit (loss)	5,881	155	(146)	(38)	5,853	26	5,880

[Cumulative Six Months of the Current Consolidated Fiscal Year (April 1, 2018 through Sept. 30, 2018)]

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	61,770	3,332	15,091	1,762	81,957	—	81,957
(2) Sales from inter-segment transactions and transfers	3,479	—	928	36	4,445	(4,445)	—
Total	65,250	3,332	16,020	1,799	86,402	(4,445)	81,957
Operating profit (loss)	6,259	130	582	(229)	6,743	47	6,790

[Overseas Sales]

[Cumulative Six Months of the Previous Consolidated Fiscal Year (April 1, 2017 through Sept. 30, 2017)]

(Millions of yen)

	Asia	(of which, China)	Americas	Other	Total
I. Overseas sales	23,195	(13,320)	4,854	4,950	33,000
II. Consolidated sales	—	(—)	—	—	78,075
III. Percentage of overseas sales to consolidated sales (%)	29.7	(17.1)	6.2	6.4	42.3

[Cumulative Six Months of the Current Consolidated Fiscal Year (April 1, 2018 through Sept. 30, 2018)]

(Millions of yen)

	Asia	(of which, China)	Americas	Other	Total
I. Overseas sales	25,658	(14,953)	4,081	3,903	33,643
II. Consolidated sales	—	(—)	—	—	81,957
III. Percentage of overseas sales to consolidated sales (%)	31.3	(18.2)	5.0	4.7	41.0

Notes:

1. The term "overseas sales" refers to sales of the parent company and its consolidated subsidiaries registered in countries and regions outside Japan.
2. Areas included in each country or region are determined based on their degree of proximity.
3. Main countries or regions included in each geographic segment
 - (1) Asia: South 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 2017				
	1Q	2Q	3Q	4Q	Total
	April 2017 through June 2017	July 2017 through Sept. 2017	Oct. 2017 through Dec. 2017	Jan. 2018 through March 2018	April 2017 through March 2018
Net sales	38,735	39,339	42,908	40,708	161,692
Operating profit	3,175	2,704	3,531	2,587	11,999
Ordinary profit	3,793	3,137	4,243	2,692	13,866
Profit attributable to owners of parent	2,543	2,236	2,952	1,539	9,272
Comprehensive income	2,907	4,748	4,726	(1,025)	11,356

Current Fiscal Year

(Millions of yen)

	FY 2018		Change	
	1Q	2Q	The same period of the previous fiscal year	The previous period
	April 2018 through June 2018	July 2018 through Sept. 2018	July 2017 through Sept. 2017	April 2018 through June 2018
Net sales	41,293	40,664	3.4%	(1.5%)
Operating profit	3,590	3,200	18.3%	(10.9%)
Ordinary profit	4,654	3,924	25.1%	(15.7%)
Profit attributable to owners of parent	3,170	2,778	24.2%	(12.4%)
Comprehensive income	4,164	4,430	(6.7%)	6.4%