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## Consolidated Financial Results for the Six Months Ended September 30, 2019 (under Japanese GAAP)

November 1, 2019

Company name: **Sanyo Chemical Industries, Ltd.**  
 Listing: Tokyo Stock Exchange  
 Securities code: 4471  
 URL: <https://www.sanyo-chemical.co.jp/>  
 Representative: Takao Ando, President & CEO  
 Inquiries: Masaya Yamamoto, Director & Executive Officer, General Manager of Administrative Affairs Division  
 TEL: +81-75-541-6153  
 Scheduled date to file quarterly securities report: November 13, 2019  
 Scheduled date to commence dividend payments: December 2, 2019  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results presentation meeting: Yes (for analysts)

(Figures are rounded down to the nearest million yen)

### 1. Consolidated financial results for the first six months of the fiscal year ending March 31, 2020 (from April 1, 2019 to September 30, 2019)

(1) Consolidated operating results (cumulative) (% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2019	77,948	(4.9)	5,906	(13.0)	5,894	(31.3)	3,792	(36.2)
September 30, 2018	81,957	5.0	6,790	15.5	8,579	23.8	5,948	24.4

Note: Comprehensive income: Six months ended September 30, 2019 ¥1,751 million [(79.6)%]  
 Six months ended September 30, 2018 ¥8,595 million [12.3%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended		
September 30, 2019	172.04	—
September 30, 2018	269.83	—

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
September 30, 2019	183,005	133,262	71.0	5,891.53
March 31, 2019	193,630	132,623	66.8	5,868.58

Reference: Equity: As of September 30, 2019 ¥129,880 million  
 As of March 31, 2019 ¥129,371 million

## 2. Cash dividends

	Cash dividends per share				
	1Q (as of June 30)	2Q (as of Sept. 30)	3Q (as of Dec. 31)	4Q (as of Mar. 31)	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2019	–	60.00	–	65.00	125.00
Fiscal year ending March 31, 2020	–	70.00			
Fiscal year ending March 31, 2020 (Forecast)			–	70.00	140.00

Note: Revisions of the latest forecasts for cash dividends announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2020 (from April 1, 2019 to March 31, 2020)

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2020	160,000	(1.0)	12,500	(3.2)	13,000	(14.5)	8,500	59.0	385.57

Note: Revisions of the latest forecasts for earnings announced: None

**\* Notes**

(1) Significant changes in subsidiaries during the six months ended September 30, 2019 (changes in specific subsidiaries resulting in the change in scope of consolidation): None

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

Note: See page 10, “2. Consolidated financial statements and significant notes thereto, (4) Notes to consolidated financial statements, Application of special accounting methods for the preparation of quarterly consolidated financial statements” for more information.

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

- a. Changes in accounting policies associated with revised accounting standards, etc.: Yes
- 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)

As of September 30, 2019	23,534,752 shares
As of March 31, 2019	23,534,752 shares

b. Number of treasury shares at the end of the period

As of September 30, 2019	1,489,537 shares
As of March 31, 2019	1,489,963 shares

c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

For the six months ended September 30, 2019	22,044,842 shares
For the six months ended September 30, 2018	22,045,739 shares

Note: Shares of Sanyo Chemical Industries, Ltd. (the “Company”) owned by the trust whose beneficiaries are directors, etc. of the Company are included in the treasury shares that are excluded in calculating the number of treasury shares at the end of the period and the average number of shares outstanding during the period.

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Appropriate use of earnings forecasts and other special items

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual earnings may differ significantly due to various factors. See page 4, “1. Qualitative information regarding financial results for the six months ended September 30, 2019, (3) 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. Qualitative information regarding financial results for the six months ended September 30, 2019

### (1) Information regarding operating results

During the first six months (April 1, 2019 to September 30, 2019) of the fiscal year ending March 31, 2020, the Japanese economy was treading water due to stagnant exports which resulted from the slowdown in the Chinese economy, despite a gradual recovery in private consumption. Uncertainty was also increasing in the global economy due to the risk of spill-over effects from the trade friction between the US and China.

In the chemical industry, the business environment is unpredictable because the forex market is experiencing yen appreciation due to a move toward risk avoidance amid a situation where concern over a global economic slowdown is increasing and the US monetary policy was eased while raw material costs are unstable due to increasing tension in the Middle East and the concern over a global economic slowdown.

Under these circumstances, net sales for the period under review decreased by 4.9% year on year, to ¥77,948 million due to a decrease in sales amount. In terms of profit, operating profit was ¥5,906 million (a decrease of 13.0% year on year) mainly due to a decrease in net sales, and ordinary profit was ¥5,894 million (a decrease of 31.3% year on year) mainly due to foreign exchange losses and a decrease in share of profit of entities accounted for using equity method. Profit attributable to owners of parent was ¥3,792 million (a decrease of 36.2% year on year).

### 1) Business performance

(Millions of yen)					
	Six months ended September 30, 2018	Six months ended September 30, 2019	Change		FY2018
			(Amount)	(Ratio)	
Net sales	81,957	77,948	(4,009)	(4.9)%	161,599
Operating profit	6,790	5,906	(884)	(13.0)%	12,919
Ordinary profit	8,579	5,894	(2,684)	(31.3)%	15,205
Profit attributable to owners of parent	5,948	3,792	(2,155)	(36.2)%	5,345
Basic earnings per share	¥269.83	¥172.04	¥(97.79)	(36.2)%	¥242.50
ROA (Return on assets*)	8.5%	6.3%	–	(2.2) percentage point	7.7%
ROE (Return on equity)	8.9%	5.9%	–	(3.0) percentage point	4.1%
Currency exchange (US\$, CNY)	US\$=¥110.27	US\$=¥108.61		¥(1.66)	US\$=¥110.93
	CNY=¥16.74	CNY=¥15.68		¥(1.06)	CNY=¥16.54
Naphtha price in Japan	¥51,100/kl	¥42,700/kl		¥(8,400)/kl	¥49,400/kl

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

Note: ROA and ROE for the six months ended September 30, 2018 and 2019 are annualized.

## 2) Business performance by segment

(Millions of yen)

	Six months ended September 30, 2018		Six months ended September 30, 2019		Change		FY2018	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Toiletries and Health Care	29,888	1,257	26,527	756	(3,361)	(500)	55,293	1,176
Petroleum and Automotives	20,858	1,289	21,676	1,781	817	491	43,109	3,059
Plastics and Textiles	11,153	1,785	10,799	1,441	(354)	(344)	22,169	3,388
Information and Electrics/Electronics	11,060	1,945	10,646	1,450	(414)	(495)	22,761	4,003
Environmental Protection, Construction and Others	8,996	512	8,299	476	(696)	(35)	18,264	1,292

### <Toiletries and Health Care>

In the Toiletries segment, sales were weak because of weak sales of polyethyleneglycol on both domestic and foreign markets, in spite of continuous brisk sales for surfactants for liquid laundry detergents.

In the Health Care segment, sales were weak because of a substantial decrease in sales of superabsorbent polymers.

As a result, total net sales in this segment decreased by 11.2% year on year, to ¥26,527 million. Operating profit was ¥756 million (a decrease of 39.8% year on year).

### <Petroleum and Automotives>

In the Petroleum and Automotives segment, sales were steady. This was due to increased sales of thermoplastic polyurethane beads for interior parts of automobiles due to an increase in vehicle models using high-performance parts and brisk domestic sales of raw materials for polyurethane foams used in automobile seats and other applications, despite flat sales of lubricating oil additives.

As a result, total net sales in this segment increased by 3.9% year on year, to ¥21,676 million. Operating profit was ¥1,781 million (an increase of 38.1% year on year).

### <Plastics and Textiles>

In the Plastics segment, sales of permanent antistatic agents remained flat. Meanwhile, sales of paint coating agents and additives were strong, although sales of resin modifiers were weak. As a result, sales in the Plastics segment were flat.

The Textiles segment experienced a large-scale decline in sales, as polyurethane resins for synthetic leather and elastomer fiber and the spin finish oil used in the manufacturing process of tire cord yarns and other items experienced a downturn due to the impact of the issue between the US and China of export tariffs on exports to China, despite increased sales of chemicals for carbon fibers due to an increase in demand.

As a result, total net sales in this segment decreased by 3.2% year on year, to ¥10,799 million. Operating profit was ¥1,441 million (a decrease of 19.3% year on year).

### <Information and Electrics/Electronics>

In the Information segment, sales were weak due to decreased sales of polyester beads as a core component of polymerization toners due to users' inventory adjustments, despite flat sales of toner resins for pulverized toners.

In the Electrics/Electronics segment, sales were weak due to weak sales of electrolytes for aluminum electrolytic capacitors, despite steady sales of UV/EB curing resins and a large increase in demand for adhesives for electronic parts.

As a result, total net sales in this segment decreased by 3.7% year on year, to ¥10,646 million. Operating profit was ¥1,450 million (a decrease of 25.5% year on year).

### <Environmental Protection, Construction and Others>

In the Environmental Protection segment, sales were weak due to the continued stagnation of the polymer flocculants market and a lack of increase in sales of cationic monomer, the raw material used to make polymer flocculants.

In the Construction segment, sales were weak because domestic sales of raw materials for building sealants were weak despite increased overseas sales of the materials.

As a result, total net sales in this segment decreased by 7.7% year on year, to ¥8,299 million. Operating profit was ¥476 million (a decrease of 7.0% year on year).

(2) Analysis of financial position

The Group's financial position at the end of the period under review was as follows:

Total assets decreased by ¥10,624 million compared with the end of the previous fiscal year, amounting to ¥183,005 million.

Net assets increased by ¥638 million from the end of the previous fiscal year, to ¥133,262 million. Equity ratio rose by 4.2 percentage points from the end of the previous fiscal year, to 71.0%.

Cash and cash equivalents ("cash") as of the end of the period under review amounted to ¥18,805 million. This marked a decrease of ¥345 million compared with the end of the previous fiscal year (cash decreased by ¥1,422 million during the same period of the previous fiscal year).

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

*Cash flows from operating activities*

Net cash provided by operating activities amounted to ¥8,126 million (compared to ¥6,480 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 ¥5,404 million, depreciation of ¥4,432 million and the decrease in trade receivables of ¥6,725 million, which outweighed the cash outflow from the decrease in trade payables of ¥5,349 million and income taxes paid of ¥3,169 million.

*Cash flows from investing activities*

Net cash used in investing activities amounted to ¥5,426 million (compared to ¥7,220 million in net cash used during the same period of the previous fiscal year). This result was mainly due to a cash outlay of ¥4,598 million for purchase of non-current assets.

*Cash flows from financing activities*

Net cash used in financing activities amounted to ¥2,779 million (¥699 million in net cash used during the same period of the previous fiscal year). This result was mainly due to the cash outflow from dividends paid of ¥1,431 million, repayments of long-term borrowings of ¥968 million and the net decrease in short-term borrowings of ¥702 million, which outweighed the cash inflow from proceeds from share issuance to non-controlling shareholders of ¥533 million.

(3) Information concerning future forecast such as consolidated earnings forecasts

Earnings during the period under review exceeded those in the "Notification on revisions to our consolidated earnings forecasts for the fiscal year ending March 31, 2020" released in September 2019. However, from the first nine months of the fiscal year ending March 31, 2020 onward, while we expect a recovery in sales volume and to implement cost reductions, increasing tension in the Middle East and trade friction between the US and China will lead to an uncertain business environment. Therefore, the Company has left its full-year consolidated earnings forecasts unchanged.

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
Half-year consolidated earnings forecasts (Millions of yen)	78,000	5,500	5,500	3,500
[Progress to forecasts (%)]	[99.9]	[107.4]	[107.2]	[108.4]
Full-year consolidated earnings forecasts (Millions of yen)	160,000	12,500	13,000	8,500
[Progress to forecasts (%)]	[48.7]	[47.3]	[45.3]	[44.6]

\* These earnings forecasts were based on information available at the time of announcement. Actual earnings may differ due to various factors occurring in the future.

## 2. Consolidated financial statements and significant notes thereto

### (1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2019	As of September 30, 2019
<b>Assets</b>		
Current assets		
Cash and deposits	19,151	18,805
Notes and accounts receivable - trade	47,223	40,229
Electronically recorded monetary claims - operating	2,037	2,001
Merchandise and finished goods	15,387	15,169
Semi-finished goods	3,765	3,927
Work in process	492	376
Raw materials and supplies	5,372	4,840
Other	1,663	1,394
Allowance for doubtful accounts	(38)	(35)
Total current assets	95,053	86,709
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	18,533	18,107
Machinery, equipment and vehicles, net	31,336	30,109
Land	8,900	8,854
Construction in progress	994	1,179
Other, net	2,560	2,590
Total property, plant and equipment	62,324	60,840
Intangible assets		
Software	1,255	1,265
Other	1,160	1,096
Total intangible assets	2,416	2,362
Investments and other assets		
Investment securities	28,864	27,471
Long-term loans receivable	984	1,352
Deferred tax assets	452	455
Retirement benefit asset	1,611	1,642
Other	1,952	2,202
Allowance for doubtful accounts	(28)	(29)
Total investments and other assets	33,835	33,093
Total non-current assets	98,577	96,296
Total assets	193,630	183,005



(Millions of yen)

	As of March 31, 2019	As of September 30, 2019
<b>Liabilities</b>		
Current liabilities		
Accounts payable - trade	22,248	18,786
Electronically recorded obligations - operating	7,402	5,216
Short-term borrowings	6,221	5,480
Current portion of long-term borrowings	1,964	1,679
Accrued expenses	3,542	3,099
Income taxes payable	3,137	1,401
Provision for bonuses	2,113	1,952
Provision for bonuses for directors (and other officers)	114	54
Electronically recorded obligations - non-operating	945	816
Other	4,834	3,411
Total current liabilities	52,524	41,898
Non-current liabilities		
Long-term borrowings	3,800	3,100
Deferred tax liabilities	3,044	2,801
Provision for stock-based compensation	77	131
Retirement benefit liability	76	77
Other	1,485	1,735
Total non-current liabilities	8,482	7,845
<b>Total liabilities</b>	<b>61,007</b>	<b>49,743</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	13,051	13,051
Capital surplus	12,290	12,265
Retained earnings	98,350	100,705
Treasury shares	(5,856)	(5,854)
Total shareholders' equity	117,836	120,167
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,263	9,455
Foreign currency translation adjustment	1,189	191
Remeasurements of defined benefit plans	82	65
Total accumulated other comprehensive income	11,535	9,712
Non-controlling interests	3,251	3,382
<b>Total net assets</b>	<b>132,623</b>	<b>133,262</b>
<b>Total liabilities and net assets</b>	<b>193,630</b>	<b>183,005</b>

(2) Consolidated statements of income and consolidated statements of comprehensive income  
Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Net sales	81,957	77,948
Cost of sales	63,977	60,573
Gross profit	17,980	17,374
Selling, general and administrative expenses	11,189	11,468
Operating profit	6,790	5,906
Non-operating income		
Interest income	22	40
Dividend income	461	382
Share of profit of entities accounted for using equity method	865	108
Rental income from real estate	176	178
Foreign exchange gains	456	–
Other	49	86
Total non-operating income	2,031	797
Non-operating expenses		
Interest expenses	63	50
Rental cost on real estate	52	52
Loss on abandonment of inventories	41	73
Foreign exchange losses	–	533
Other	86	97
Total non-operating expenses	243	808
Ordinary profit	8,579	5,894
Extraordinary income		
Gain on sales of non-current assets	22	–
Gain on sales of investment securities	8	4
Insurance claim income	41	1
Total extraordinary income	71	5
Extraordinary losses		
Loss on sales of non-current assets	7	–
Loss on retirement of non-current assets	398	495
Total extraordinary losses	406	495
Profit before income taxes	8,245	5,404
Income taxes	2,014	1,560
Profit	6,231	3,843
Profit attributable to non-controlling interests	282	51
Profit attributable to owners of parent	5,948	3,792

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
Profit	6,231	3,843
Other comprehensive income		
Valuation difference on available-for-sale securities	2,135	(807)
Foreign currency translation adjustment	254	(1,268)
Remeasurements of defined benefit plans, net of tax	(25)	(16)
Total other comprehensive income	2,364	(2,092)
Comprehensive income	8,595	1,751
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,285	1,969
Comprehensive income attributable to non-controlling interests	310	(218)

## (3) Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2018	Six months ended September 30, 2019
<b>Cash flows from operating activities</b>		
Profit before income taxes	8,245	5,404
Depreciation	4,315	4,432
Loss on retirement of non-current assets	398	495
Amortization of goodwill	66	–
Increase (decrease) in provision for bonuses	97	(156)
Changes in retirement benefit asset and liability	(122)	(54)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	20	–
Increase (decrease) in provision for bonuses for directors (and other officers)	(49)	(59)
Increase (decrease) in provision for stock-based compensation	19	57
Interest and dividend income	(484)	(423)
Interest expenses	63	50
Share of loss (profit) of entities accounted for using equity method	(865)	(108)
Loss (gain) on sales of investment securities	(8)	(4)
Decrease (increase) in trade receivables	(833)	6,725
Decrease (increase) in inventories	(1,955)	294
Increase (decrease) in trade payables	(1,185)	(5,349)
Other, net	(482)	(607)
<b>Subtotal</b>	<b>7,240</b>	<b>10,696</b>
Interest and dividends received	749	651
Interest paid	(65)	(52)
Income taxes paid	(1,443)	(3,169)
<b>Net cash provided by (used in) operating activities</b>	<b>6,480</b>	<b>8,126</b>
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(6,805)	(4,598)
Proceeds from sales of property, plant and equipment	37	96
Purchase of investment securities	(2)	(2)
Proceeds from sales of investment securities	11	6
Long-term loan advances	–	(469)
Other, net	(460)	(458)
<b>Net cash provided by (used in) investing activities</b>	<b>(7,220)</b>	<b>(5,426)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,704	(702)
Repayments of long-term borrowings	(1,022)	(968)
Net decrease (increase) in treasury shares	(4)	(0)
Dividends paid	(1,211)	(1,431)
Dividends paid to non-controlling interests	(165)	(210)
Proceeds from share issuance to non-controlling shareholders	–	533
<b>Net cash provided by (used in) financing activities</b>	<b>(699)</b>	<b>(2,779)</b>
Effect of exchange rate change on cash and cash equivalents	16	(265)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,422)</b>	<b>(345)</b>
Cash and cash equivalents at beginning of period	17,377	19,151
<b>Cash and cash equivalents at end of period</b>	<b>15,955</b>	<b>18,805</b>

(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 quarterly consolidated financial statements*

After applying tax effect accounting to profit before income taxes for the fiscal year, which includes the second quarter under review, the Company makes a reasonable estimate of the effective tax rate and multiply the profit before income taxes by that estimated effective tax rate. Furthermore, income tax adjustments are included in the presentation of income taxes.

*Changes in accounting policies*

The Company has applied IFRS 16 Leases to certain overseas consolidated subsidiaries from the first quarter of the fiscal year under review. As a result of this change, in principle, the borrower now recognizes both assets and liabilities in all leases.

The effects of the application of this standard on the consolidated financial statements are immaterial.

*Segment information*

[Segment information]

I Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

Information regarding net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable 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 external customers	29,888	20,858	11,153	11,060	8,996	81,957	–	81,957
Intersegment sales/transfers	–	–	4	–	34	39	(39)	–
Total	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: Total amount of the segment profit corresponds to operating profit described in the consolidated statements of income.

II Six months ended September 30, 2019 (April 1, 2019 to September 30, 2019)

Information regarding net sales, profit or loss by reportable segment

(Millions of yen)

	Reportable 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 external customers	26,527	21,676	10,799	10,646	8,299	77,948	–	77,948
Intersegment sales/transfers	–	–	–	–	34	34	(34)	–
Total	26,527	21,676	10,799	10,646	8,334	77,983	(34)	77,948
Segment profit	756	1,781	1,441	1,450	476	5,906	–	5,906

Note: Total amount of the segment profit corresponds to operating profit described in the consolidated statements of income.

<Reference>

[Information by geographic segment]

Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or common assets	Consolidated total
Net sales							
(1) Sales to external customers	61,770	3,332	15,091	1,762	81,957	–	81,957
(2) Intersegment sales/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

Six months ended September 30, 2019 (April 1, 2019 to September 30, 2019)

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or common assets	Consolidated total
Net sales							
(1) Sales to external customers	59,329	3,673	12,058	2,885	77,948	–	77,948
(2) Intersegment sales/transfers	3,941	–	966	16	4,923	(4,923)	–
Total	63,270	3,673	13,025	2,901	82,872	(4,923)	77,948
Operating profit (loss)	5,775	151	515	(561)	5,880	25	5,906

[Overseas net sales]

Six months ended September 30, 2018 (April 1, 2018 to September 30, 2018)

(Millions of yen)

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

Six months ended September 30, 2019 (April 1, 2019 to September 30, 2019)

(Millions of yen)

	Asia	[Of which, China]	Americas	Other	Total
I. Overseas net sales	23,938	[14,446]	4,800	1,114	29,853
II. Consolidated net sales	–	[–]	–	–	77,948
III. Percentage of overseas net sales to consolidated net sales (%)	30.7	[18.5]	6.2	1.4	38.3

Notes: 1. The term “overseas net sales” refers to net sales of the Company (non-consolidated) 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 quarterly consolidated earnings

Fiscal year ended March 31, 2019

(Millions of yen)

	1Q	2Q	3Q	4Q	Total
	April 2018 to June 2018	July 2018 to September 2018	October 2018 to December 2018	January 2019 to March 2019	April 2018 to March 2019
Net sales	41,293	40,664	41,237	38,404	161,599
Operating profit	3,590	3,200	3,405	2,723	12,919
Ordinary profit	4,654	3,924	3,792	2,833	15,205
Profit attributable to owners of parent	3,170	2,778	3,200	(3,802)	5,345
Comprehensive income	4,164	4,430	(1,868)	(7,486)	(760)

Fiscal year ending March 31, 2020

(Millions of yen)

	1Q	2Q	Change (%)	
	April 2019 to June 2019	July 2019 to September 2019	The same period of the previous fiscal year	The previous period
			July 2018 to September 2018	April 2019 to June 2019
Net sales	39,277	38,671	(4.9)	(1.5)
Operating profit	2,905	3,000	(6.2)	3.2
Ordinary profit	2,898	2,995	(23.7)	3.3
Profit attributable to owners of parent	1,794	1,998	(28.1)	11.3
Comprehensive income	1,021	729	(83.5)	(28.5)