

# **Condensed Consolidated Financial Information**

**(Japanese Standard)  
for the Nine Months  
Ended Dec. 31, 2017**

**(April 1, 2017 through Dec. 31, 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

	Nine months ended Dec. 31,			
	2017		2016	
	Millions of Yen	Change	Millions of Yen	Change
Net sales	120,984	8.5%	111,531	(6.4%)
Operating profit	9,412	(15.1%)	11,080	19.3%
Ordinary profit	11,173	(10.4%)	12,471	21.7%
Profit attributable to owners of parent	7,733	(9.9%)	8,583	41.1%
Comprehensive income	12,381	35.3%	9,148	73.5%

	Nine months ended Dec. 31,	
	2017	2016
	Yen	Yen
Net income per share	350.75	389.31
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 net income 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 Dec. 31,	As of March 31,
	2017	2017
	Millions of Yen	Millions of Yen
Total assets	200,758	186,863
Net assets	137,297	127,651
Shareholders' equity ratio	65.2%	65.1%
Shareholders' equity	130,826	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

	Year ended March 31,	
	2018	
	Millions of Yen	Change
Net sales	162,000	7.9%
Operating profit	12,000	(12.1%)
Ordinary profit	14,000	(8.7%)
Profit attributable to owners of parent	10,000	(1.9%)

  

	Year ended March 31,	
	2018	
	Yen	
Net income per share	453.59	

[Note] Revisions of the latest forecasts for consolidated operating results announced: Yes

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 nine months (Dec. 31, 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 nine months (Dec. 31, 2017): 1,488,234 shares
  - End of previous period (March 31, 2017): 1,487,184 shares
- c. Average number of shares (cumulative for the quarter)
  - Reporting nine months (ended Dec. 31, 2017): 22,047,018 shares
  - Same nine months of previous period (ended Dec. 31, 2016): 22,049,148 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

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 nine months (April 1, 2017 through Dec. 31, 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 performed smoothly such as a speed-up of economic expansion in Europe and a break in Chinese economic slowdown in addition to steady economy in the United States.

In the chemical industry, business environment increases severe because a downside in raw material costs is increasing, though exchange rate keeps the yen low.

Under these circumstances, net sales in the first nine months of current fiscal year increased by 8.5% from the same period of the previous fiscal year, to ¥120,984 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 the reduction of spread between sales and purchase to respond to a hike in raw materials costs, despite sales volume increase. As a result, operating profit was ¥9,412 million (a 15.1% decrease from the same period of the previous fiscal year), and ordinary profit was ¥11,173 million (a 10.4% decrease). Profit attributable to owners of parent was ¥7,733 million (a 9.9% decrease).

## 1) Business Performance

(Millions of yen)

	Cumulative 3Q of FY 2016	Cumulative 3Q of FY 2017	Changed amount		FY 2016
			(Amount)	(Ratio)	
Net sales	111,531	120,984	9,452	8.5%	150,166
Operating profit	11,080	9,412	(1,668)	(15.1%)	13,647
Ordinary profit	12,471	11,173	(1,297)	(10.4%)	15,341
Profit attributable to owners of parent	8,583	7,733	(850)	(9.9%)	10,192
Net income per share	¥389.31	¥350.75	(¥38.56)	(9.9%)	¥462.28
ROA (Return on assets*)	9.2%	7.7%	-	(1.5point)	8.5%
ROE (Return on equity)	9.9%	8.2%	-	(1.7point)	8.7%
Currency exchange(\$, CNY)	\$=¥106.66 CNY=¥15.95	\$=¥111.70 CNY=¥16.64	¥5.04 ¥0.69		\$=¥108.39 CNY=¥16.10
Naphtha price in Japan	¥32,300/kl	¥39,800/kl	¥7,500/kl		¥34,700/kl

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

Notes:

1. ROA and ROE for cumulative 3Q 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 net income 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)

	Cumulative 3Q of FY2016		Cumulative 3Q of FY2017		Changed amount		FY2016	
	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit	Net sales	Operating profit
Toiletries and Health Care	41,331	3,477	45,125	1,023	3,793	(2,453)	55,442	3,598
Petroleum and Automotives	27,551	1,587	30,718	2,254	3,166	666	37,496	2,110
Plastics and Textiles	15,893	3,135	16,695	2,999	801	(136)	21,155	4,177
Information and Electrics/Electronics	14,389	2,109	15,088	2,337	698	227	19,368	2,774
Environmental Protection, Construction and Others	12,363	770	13,356	797	992	27	16,702	986

## **Toiletries and Health Care**

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

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 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 9.2% from the same period of the previous fiscal year, to ¥45,125 million. Operating profit was ¥1,023 million (a 70.6% decrease).

## **Petroleum and Automotives**

Petroleum and Automotives segment increased substantially in sales. This was due to domestic and foreign sales expansion of lubricating oil additives, in addition to substantial 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 11.5% from the same period of the previous fiscal year, to ¥30,718 million. Operating profit was ¥2,254 million (a 42.0% increase).

## **Plastics and Textiles**

In Plastics segment, sales increased briskly because of substantial sales increase of permanent antistatic agents on the domestic and foreign market, and substantial sales increase of resins for special gravure ink.

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

As a result, total net sales in this segment increased by 5.0% from the same period of the previous fiscal year, to ¥16,695 million. Operating profit was ¥2,999 million (a 4.3% decrease).

## **Information and Electrics/Electronics**

Sales in the Information segment increased steadily. This was because of flat sales of polyester beads as a core component of polymerization toners and 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, etc.

As a result, total net sales in this segment increased by 4.9% from the same period of the previous fiscal year, to ¥15,088 million. Operating profit was ¥2,337 million (a 10.8% 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 briskly. This was mainly thanks to strong sales increase of cement agents as materials used for civil engineering and building work, and steady domestic sales increase of raw materials for polyurethane foams used in furniture and heat insulating materials.

As a result, total net sales in this segment increased by 8.0% from the same period of the previous fiscal year, to ¥13,356 million. Operating profit was ¥797 million (a 3.6% increase).

## (2) Analysis of Financial Position

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

Total assets increased by ¥13,894 million compared to the previous consolidated fiscal year end, amounting to ¥200,758 million due to the increase in notes and accounts receivable-trade mainly because of the effects of the period-end holiday, the increase in construction in progress and investment securities, and other factors, despite the decrease in cash and deposits.

Net assets increased by ¥9,646 million from the previous consolidated fiscal year end, to ¥137,297 million. Our shareholder's equity ratio increased by 0.1 percentage point from the previous consolidated fiscal year end, to 65.2%.

Cash and cash equivalents ("Cash") as of the end of this first nine months of the current consolidated fiscal year amounted to ¥16,949 million. This marked a decrease of ¥6,189 million compared to the end of the previous consolidated fiscal year (cash increased by ¥1,772 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 ¥9,998 million (compared to ¥14,904 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 ¥10,494 million, depreciation and amortization of ¥6,186 million, and increase in notes and accounts payable-trade of ¥7,653 million, which outweighed the outflow from increase in notes and accounts receivable-trade of ¥6,984 million and decrease in income tax payments of ¥3,157 million.

### Cash Flows from Investing Activities

Net cash used in investing activities amounted to ¥9,744 million (compared to ¥10,575 million in net cash used during the previous fiscal year). This result was mainly due to a cash outlay of ¥9,064 million for purchase of fixed assets.

### Cash Flows from Financing Activities

Net cash used in financing activities amounted to ¥6,650 million (¥1,245 million in net cash used during the same period of the previous fiscal year). This result was the cash outflow from the decrease in short-term loans payable of ¥2,933 million (net), cash dividends paid of ¥2,420 million and repayments of long-term loans payable of ¥986 million.

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

As shown below, we have revised our consolidated fiscal year forecast, which were released on April 28, 2017 (Japanese version only), mainly based on the results of this consolidated cumulative 3Q and the most recent rise of raw material costs.

(Full year)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	Millions of yen				Yen
Previous forecast announced on Apr. 28, 2017 (A)	167,000	14,000	15,500	11,000	498.92
Current forecast announced on Jan. 31, 2018 (B)	162,000	12,000	14,000	10,000	453.59
Difference (B – A)	(5,000)	(2,000)	(1,500)	(1,000)	-
Change (%)	(3.0)	(14.3)	(9.7)	(9.1)	-
Previous term's figures (FY 2016)	150,166	13,647	15,341	10,192	462.28

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 Dec. 31, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	23,138	16,949
Notes and accounts receivable - trade	38,689	46,134
Electronically recorded monetary claims - operating	2,406	2,243
Merchandise and finished goods	10,607	12,825
Semi-finished goods	3,321	3,614
Work in process	518	176
Raw materials and supplies	3,969	4,696
Deferred tax assets	1,226	1,375
Other	1,489	2,474
Allowance for doubtful accounts	(34)	(37)
Total current assets	85,334	90,452
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,576	17,563
Machinery, equipment and vehicles, net	28,362	28,681
Land	8,764	8,785
Construction in progress	6,489	11,065
Other, net	2,337	2,395
Total property, plant and equipment	63,530	68,492
Intangible assets		
Software	866	855
Goodwill	801	700
Other	1,121	1,192
Total intangible assets	2,788	2,748
Investments and other assets		
Investment securities	32,370	35,816
Long-term loans receivable	3	4
Deferred tax assets	216	213
Net defined benefit asset	1,491	1,535
Other	1,160	1,528
Allowance for doubtful accounts	(32)	(32)
Total investments and other assets	35,210	39,065
Total non-current assets	101,529	110,306
Total assets	186,863	200,758

	Millions of Yen	
	As of Mar. 31, 2017	As of Dec. 31, 2017
Liabilities		
Current liabilities		
Accounts payable - trade	19,552	25,620
Electronically recorded obligations - operating	4,546	6,443
Short-term loans payable	5,708	2,760
Current portion of long-term loans payable	1,515	2,063
Accrued expenses	3,041	3,178
Income taxes payable	1,873	999
Provision for bonuses	2,041	1,133
Provision for directors' bonuses	104	78
Electronically recorded obligations - non-operating	1,347	1,776
Other	4,732	5,119
Total current liabilities	44,464	49,173
Non-current liabilities		
Long-term loans payable	7,981	6,463
Deferred tax liabilities	5,170	6,185
Provision for directors' retirement benefits	275	334
Net defined benefit liability	494	534
Other	826	769
Total non-current liabilities	14,747	14,288
Total liabilities	59,212	63,461
Net assets		
Shareholders' equity		
Capital stock	13,051	13,051
Capital surplus	12,194	12,194
Retained earnings	88,697	94,005
Treasury shares	(5,745)	(5,751)
Total shareholders' equity	108,197	113,499
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,790	15,560
Foreign currency translation adjustment	396	1,606
Remeasurements of defined benefit plans	219	160
Total accumulated other comprehensive income	13,405	17,326
Non-controlling interests	6,047	6,470
Total net assets	127,651	137,297
Total liabilities and net assets	186,863	200,758

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

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

	Millions of Yen	
	Nine months ended Dec. 31,	
	2016	2017
Net sales	111,531	120,984
Cost of sales	84,218	94,978
Gross profit	27,312	26,005
Selling, general and administrative expenses	16,232	16,593
Operating profit	11,080	9,412
Non-operating income		
Interest income	43	28
Dividend income	593	707
Share of profit of entities accounted for using equity method	645	435
Real estate rent	201	244
Foreign exchange gains	101	548
Other	149	172
Total non-operating income	1,735	2,136
Non-operating expenses		
Interest expenses	106	87
Rent cost of real estate	66	77
Loss on abandonment of inventories	60	48
Other	110	161
Total non-operating expenses	344	374
Ordinary profit	12,471	11,173
Extraordinary income		
Gain on sales of investment securities	4	—
Insurance income	21	139
Total extraordinary income	26	139
Extraordinary losses		
Loss on retirement of non-current assets	481	799
Other	3	19
Total extraordinary losses	485	819
Profit before income taxes	12,011	10,494
Income taxes	2,794	2,475
Profit	9,216	8,019
Profit attributable to non-controlling interests	633	286
Profit attributable to owners of parent	8,583	7,733

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

	Millions of Yen	
	Nine months ended Dec. 31,	
	2016	2017
Profit	9,216	8,019
Other comprehensive income		
Valuation difference on available-for-sale securities	2,161	2,769
Foreign currency translation adjustment	(2,228)	1,651
Remeasurements of defined benefit plans, net of tax	(2)	(58)
Total other comprehensive income	(68)	4,362
Comprehensive income	9,148	12,381
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	9,066	11,654
Comprehensive income attributable to non-controlling interests	81	727

### (3) Consolidated Statements of Cash Flows

	Millions of Yen	
	Nine months ended Dec. 31,	
	2016	2017
Cash flows from operating activities		
Profit before income taxes	12,011	10,494
Depreciation	5,490	6,186
Loss on retirement of non-current assets	481	799
Amortization of goodwill	100	100
Increase (decrease) in provision for bonuses	(800)	(913)
Changes in net defined benefit asset and liability	(115)	(88)
Increase (decrease) in provision for directors' retirement benefits	(157)	59
Increase (decrease) in provision for directors' bonuses	(23)	(26)
Interest and dividend income	(637)	(736)
Interest expenses	106	87
Share of (profit) loss of entities accounted for using equity method	(645)	(435)
Loss (gain) on sales of investment securities	(4)	—
Decrease (increase) in notes and accounts receivable - trade	(4,093)	(6,984)
Decrease (increase) in inventories	223	(2,598)
Increase (decrease) in notes and accounts payable - trade	4,124	7,653
Other, net	460	(1,888)
Subtotal	16,521	11,709
Interest and dividend income received	1,475	1,540
Interest expenses paid	(124)	(92)
Income taxes paid	(2,968)	(3,157)
Net cash provided by (used in) operating activities	14,904	9,998
Cash flows from investing activities		
Purchase of non-current assets	(10,272)	(9,064)
Purchase of investment securities	(148)	(4)
Proceeds from sales of investment securities	5	—
Other, net	(159)	(674)
Net cash provided by (used in) investing activities	(10,575)	(9,744)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	2,157	(2,933)
Repayments of long-term loans payable	(1,111)	(986)
Net decrease (increase) of treasury shares	(7)	(5)
Cash dividends paid	(1,980)	(2,420)
Dividends paid to non-controlling interests	(303)	(304)
Net cash provided by (used in) financing activities	(1,245)	(6,650)
Effect of exchange rate change on cash and cash equivalents	(702)	206
Net increase (decrease) in cash and cash equivalents	2,380	(6,189)
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	21,096	16,949

#### (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 nine 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 Dec. 31, 2016)]

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 Electronics/ Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to third parties	41,331	27,551	15,893	14,389	12,363	111,531	—	111,531
Intersegment sales/transfers	—	—	12	—	226	238	(238)	—
Subtotal	41,331	27,551	15,905	14,389	12,589	111,769	(238)	111,531
Segment income (loss)	3,477	1,587	3,135	2,109	770	11,080	—	11,080

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

[Current Consolidated Fiscal Year (April 1, 2017 through Dec. 31, 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 Electronics/ Electronics	Environmental Protection, Construction and Others	Subtotal		
Net sales								
Sales to third parties	45,125	30,718	16,695	15,088	13,356	120,984	—	120,984
Intersegment sales/transfers	—	—	9	—	198	207	(207)	—
Subtotal	45,125	30,718	16,705	15,088	13,554	121,191	(207)	120,984
Segment income	1,023	2,254	2,999	2,337	797	9,412	—	9,412

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

## <Reference>

### [Information by Geographic Segment]

[Cumulative Nine Months of the Previous Consolidated Fiscal Year (April 1, 2016 through Dec. 31, 2016)]

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	85,633	4,229	19,242	2,424	111,531	—	111,531
(2) Sales from inter-segment transactions and transfers	4,846	—	1,196	26	6,069	(6,069)	—
Total	90,480	4,229	20,439	2,451	117,600	(6,069)	111,531
Operating profit (loss)	9,878	(83)	1,158	45	10,999	81	11,080

[Cumulative Nine Months of the Current Consolidated Fiscal Year (April 1, 2017 through Dec. 30, 2017)]

(Millions of yen)

	Japan	USA	China	Other	Total	Elimination or Common Assets	Consolidated Total
Sales							
(1) Sales to third parties	90,421	5,004	23,004	2,553	120,984	—	120,984
(2) Sales from inter-segment transactions and transfers	5,587	27	1,438	38	7,091	(7,091)	—
Total	96,008	5,031	24,443	2,591	128,075	(7,091)	120,984
Operating profit (loss)	9,307	271	(131)	(65)	9,381	30	9,412

### [Overseas Sales]

[Cumulative Nine Months of the Previous Consolidated Fiscal Year (April 1, 2016 through Dec. 31, 2016)]

(Millions of yen)

	Asia	(of which, China)	Americas	Other	Total
I. Overseas sales	30,820	(17,865)	5,743	7,794	44,358
II. Consolidated sales	—	(—)	—	—	111,531
III. Percentage of overseas sales to consolidated sales (%)	27.6	(16.0)	5.2	7.0	39.8

[Cumulative Nine Months of the Current Consolidated Fiscal Year (April 1, 2017 through Dec. 31, 2017)]

(Millions of yen)

	Asia	(of which, China)	Americas	Other	Total
I. Overseas sales	36,394	(21,103)	7,213	7,477	51,086
II. Consolidated sales	—	(—)	—	—	120,984
III. Percentage of overseas sales to consolidated sales (%)	30.1	(17.4)	5.9	6.2	42.2

#### 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
  - Asia: South Korea, China, Indonesia, India, Thailand, etc.
  - Americas: USA, Mexico, Brazil, etc.
  - 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 profit	3,987	3,536	3,555	2,567	13,647
Ordinary profit	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	2Q	3Q	Same term of previous fiscal year	Previous term
	April 2017 through June 2017	July 2017 through Sept. 2017	Oct. 2017 through Dec. 2017	Oct. 2016 through Dec. 2016	July 2017 through Sept 2017
Net sales	38,735	39,339	42,908	8.6%	9.1%
Operating profit	3,175	2,704	3,531	(0.7%)	30.6%
Ordinary profit	3,793	3,137	4,243	(15.2%)	35.3%
Profit attributable to owners of parent	2,543	2,236	2,952	(13.9%)	32.0%
Comprehensive income	2,907	4,748	4,726	(39.0%)	(0.5%)