

Consolidated Financial Results for the 3rd Quarter of Fiscal Year Ending March 31, 2019 (J-GAAP)

February 4, 2019

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 Briefing on consolidated financial results: None

(Amounts less than one million yen have been truncated)

1. Consolidated Financial Performance for the 3rd Quarter of Fiscal Year Ending March 31, 2019

(April 1, 2018 to December 31, 2018)

(1) Consolidated operating performance (Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2018	102,875	13.7	4,357	-1.7	4,647	-8.1	2,058	-41.1
Nine months ended December 31, 2017	90,478	21.8	4,430	117.4	5,057	118.2	3,494	115.9

Note: Comprehensive income

Nine months ended December 31, 2018: ¥1,096 million -71.6%

Nine months ended December 31, 2017: ¥3,858 million —%

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended December 31, 2018	258.65	—
Nine months ended December 31, 2017	438.93	—

Note: We consolidated each unit of 10 common shares into a unit of one share on October 1, 2017. Net income per share is calculated on the assumption that the consolidation of shares was conducted at beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Nine months ended December 31, 2018	93,562	47,266	48.2	5,665.50
Fiscal year ended March 31, 2018	93,320	46,639	48.1	5,635.91

Reference: Shareholders' equity

As of December 31, 2018: ¥45,094 million

As of March 31, 2018 : ¥44,861 million

Note: We consolidated each unit of 10 common shares into a unit of one share on October 1, 2017. Net assets per share is calculated on the assumption that the consolidation of shares was conducted at beginning of the previous consolidated fiscal year.

2. Dividends

	Dividends per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2018	—	3.00	—	60.00	—
Fiscal year ending March 31, 2019	—	40.00	—		
Fiscal year ending March 31, 2019 (Forecast)				50.00	90.00

Note: Revisions to the forecast of dividends since the latest official announcement: None

We consolidated each unit of 10 common shares into a unit of one share on October 1, 2017. The amount of the year-end dividends per share for the fiscal year ended March 31, 2018, is described taken consolidation of shares into consideration, and annual dividends per share is described as “—.” The annual dividends per share which is converted by the basis after consolidation of shares for the fiscal year ended March 31, 2018, are 90 yen.

3. Forecast of Consolidated Financial Performance for the Fiscal Year Ending March 31, 2019

(April 1, 2018 to March 31, 2019)

(Percentage figures indicate changes from the same period of the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2019	138,000	10.9	5,200	-10.2	5,600	-13.1	1,600	-56.7	201.01

Note: Revisions to the forecast of consolidated financial performance since the latest official announcement: None

4. Other

(1) Changes in significant subsidiaries during the current quarter

(changes in specific subsidiaries resulting in changes in the scope of consolidation): None

(2) Adoption of specific accounting policies for quarterly consolidated financial statements: None

(3) Changes in accounting principles, estimation procedures or presentation methods

1) Changes associated with revision of accounting standards: None

2) Changes other than 1): None

3) Changes accounting estimation procedures: None

4) Changes in presentation methods: None

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

1) Number of shares issued and outstanding at end of period (including treasury stock)

As of December 31, 2018: 8,344,405 shares

As of March 31, 2018 : 8,344,405 shares

2) Number of shares of treasury stock at end of period

As of December 30, 2018: 384,872 shares

As of March 31, 2018 : 384,514 shares

3) Average number of shares outstanding during the period

Nine months ended December 31, 2018: 7,959,731 shares

Nine months ended December 31, 2017: 7,961,220 shares

Note: We consolidated each unit of 10 common shares into a unit of one share on October 1, 2017. Number of shares issued and outstanding at end of year, Number of shares of treasury stock at end of period and Average number of shares outstanding during the period are calculated on the assumption that the consolidation of shares was conducted at beginning of the previous consolidated fiscal year.

* The consolidated financial results presented herein are not subject to the audit procedures by certified public accountant or audit firm.

* Explanations for proper use of forecasts and other specific affairs

The forward-looking statement such as forecast of financial performance etc. described in this report based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ significantly from these projections due to various factors.

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1. Qualitative Information for the Third Quarter of Fiscal Year Ending March 31, 2019

(1) Consolidated financial performance

The economic environment during the current third quarter consolidated accumulative period remained strong, aided by the increase of exports and the favorable transition of domestic demand. However, there are concerns that the economy downward pressure risk which will be caused by slowdown in Chinese economy and the protectionist trade policy of the U.S. administration.

Under the circumstances, the net sales of the TRAD Group (on a foreign currency basis) in domestic and overseas increased from the same period of the previous year. Although the operating income decreased in Japan, the United States and Europe, it increased in Asia and China. Although payment of settlement related to antitrust laws etc. decreased, the profit attributable to owner of parent decreased from the same period of the previous year due to the decrease of gain on sales of investment securities and the increase of income taxes.

As a result, net sales during the consolidated cumulative third quarter increased by 12,388 million yen from the previous fiscal year, amounting to 102,875 million yen (up 13.7% year on year), operating income decreased by 73 million yen, amounting to 4,357 million yen (down 1.7% year on year), ordinary income decreased by 409 million yen, amounting to 4,647 million yen (down 8.1% year on year) and profit attributable to owners of parent decreased by 1,435 million yen, amounting to 2,058 million yen (down 41.1% year on year).

The segment results are as follows.

The book-closing date for the consolidated subsidiaries for the first nine months of the fiscal year under review is September 30. In preparing the consolidated financial statements, the financial statements as of, and for the nine-month period ended on this date were used. With respect to material transactions conducted during the period between this date and the book-closing date for consolidated accounting, we have made adjustments as necessary for consolidated accounting. The segments relevant to such adjustments are the United States, Europe, Asia and China.

Three of domestic subsidiaries have the same settlement date that coincides with the last day of the consolidated fiscal year. The segment impacted by such adjustments is Other.

From the previous third quarterly consolidated accounting period, Qingdao Toyo Heat Exchanger Co., Ltd. is included in China segment. In addition, TRAD CONNECT Co., Ltd. in which we newly established during the current second quarterly consolidated accounting period, is included in Other segment.

	Net Sales				Operating Income (Loss)			
	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Increase/Decrease	Percentage change (on a foreign currency basis)*	Nine months ended December 31, 2017	Nine months ended December 31, 2018	Increase/Decrease	Percentage change (on a foreign currency basis)*
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Japan	42,089	45,661	3,571	8.5	699	682	-16	-2.4
United States	23,141	24,073	932	3.3	714	(28)	-743	-104.0
Europe	2,997	3,228	230	8.8	(205)	(927)	-722	-253.6
Asia	12,512	13,714	1,201	8.5	1,565	1,981	416	25.3
China	9,010	15,478	6,468	78.1	1,665	2,229	563	37.6
Other (including eliminations)	735	719	-15	-2.1	(9)	*1 420	429	—
Total	90,487	102,875	12,388	13.8	4,430	4,357	-73	0.2

*The percentage changes (on a foreign currency basis) in the chart are the percentage changes after correcting for differences arising from fluctuations in the foreign exchange rates applicable to overseas net sales.

*1 The breakdown of Other(including eliminations) is income for "Other" 142 Millions of yen, intersegment eliminations 277 Millions of yen.

(i) Japan

Net sales of products for automobile industry increased from the same period of the previous year thanks to the favorable transition of the orders received for our products of models. The net sales of products for construction and industrial machines increased from the same period of the previous year due to the demand for China and favorable Mining market. As a result, the net sales in the Japan segment increased by 3,571 million yen, resulting in 45,661 million yen.

Operating income decreased by 16 million yen from the same period of the previous year due to rising raw material price and increase of R&D expenses and etc., resulting in 682 million yen.

(ii) United States

The net sales of products for the automobile industry increased due to the commencement of mass production of models for which orders were newly received etc. The net sales of products for construction and industrial machines increased from the same period of the previous year due to the increase of demands by the major customers.

As a result, the net sales in the United States segment increased by 932 million yen from the same period of the previous year, resulting in 24,073 million yen. On a foreign currency basis, it increased by 3.3%.

Operating loss of 28 million yen was posted, worsening by 743 million yen from the same period of the previous year due to increase of cost etc. influenced by increase in custom duties. On a foreign currency basis, it decreased by 104.0%.

(iii) Europe

The net sales of products for the automobile industry increased from the same period of the previous year, contributed by the increase of orders received from major customers in Czech Republic. As a result, the net sales in the Europe segment increased by 230 million yen from the same period of the previous year, resulting in 3,228 million yen. On a foreign currency basis, it increased by 8.8%.

Operating loss of 927 million yen was posted, worsening by 722 million yen from the same period of the previous year by increased cost associated with launch of a new order model in Czech Republic. On a foreign currency basis, it decreased by 253.6%.

(iv) Asia

The net sales of products for the automobile industry increased from the same period of the previous year by the favorable sales of the orders received for our models in ASEAN subsidiaries. As a result, the net sales in the Asia segment increased by 1,201 million yen from the same period of the previous year, resulting in 13,714 million yen. On a foreign currency basis, it increased by 8.5%.

Operating income increased by 416 million yen from the same period of the previous year, resulting in 1,981 million yen. On a foreign currency basis, it increased by 25.3%.

(v) China

The net sales of products for the automobile industry largely increased from the same period of the previous year due to a new addition of net sales 5,092 million yen of Qingdao Toyo Heat Exchanger Co., Ltd. We acquired its shares additionally and making it a subsidiary from the previous third quarterly consolidated accounting period. Net sales of products for construction and industrial machines increased from the same period of the previous year due to increase in orders from main customers. As a result, the net sale in the China segment increased by 6,468 million yen from the same period of the previous year, resulting in 15,478 million yen. On a foreign currency basis, it increased by 78.1%.

The operating income increased by 563 million yen from the same period of the previous year, resulting in 2,229 million yen. On a foreign currency basis, it increased by 37.6%.

(2) Consolidated financial position

1) Assets, liabilities and net assets

Total assets at the end of current third quarter of the fiscal year under review resulted in 93,562 million yen (up 242 million yen from the end of the previous fiscal year) due to the increase of current assets accompanying with the increase of net sales etc.

Total liabilities resulted in 46,296 million yen (down 385 million yen) due to the payment of long-term loans payable and payment of settlement etc.

Net assets resulted in 47,266 million yen (up 627 million yen) due to retained earnings increased.

2) Cash flows

Cash and cash equivalents at the end of the current third quarter of the fiscal year under review totaled 12,592 million yen, increase of 1,658 million yen from the same period of the previous year.

The factors for increase or decrease of each cash flow in the current third quarter consolidated accumulative period are as follows.

Net cash provided by operating activities was 6,424 million yen, decrease of 435 million yen year on year due to the increase of working capital accompanying with the increase of net sales and the payment of settlement etc. Net cash used in investing activities was 5,217 million yen, due to capital investment increase of 2,273 million yen year on year. Net cash used in financing activities was 430 million yen, a decrease of 1,093 million yen year on year due to decrease loans payable etc.

(3) Future projections including forecasts of consolidated financial performance

We did not revise the forecast of consolidated financial performance released on November 5, 2018, as the financial results for the first nine months of the fiscal year under review were within the expected range.

2. Quarterly Consolidated Financial Statements and main notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2017	FY2018_3Q
	As of March 31, 2018	As of December 31, 2018
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	12,128	12,748
Notes and accounts receivable-trade	24,928	25,082
Electronically recorded monetary claims-operating	2,659	2,593
Short-term investment securities	399	399
Merchandise and finished goods	2,728	3,070
Work in process	594	667
Raw materials and supplies	5,097	5,163
Others	2,253	2,577
Allowance for doubtful accounts	(85)	(89)
Total current assets	50,704	52,214
Noncurrent assets		
Tangible fixed assets		
Building and structures, net	6,528	6,305
Machinery, equipment and vehicles, net	16,287	15,767
Land	2,602	2,587
Lease assets, net	122	108
Construction in progress	3,476	4,197
Other tangible fixed assets, net	2,236	2,219
Total tangible fixed assets	31,254	31,186
Intangible assets		
Goodwill	583	248
Others	1,068	1,143
Total intangible assets	1,651	1,392
Investments and other assets		
Investment securities	8,470	7,635
Net defined benefit asset	467	432
Deferred tax assets	59	69
Others	741	672
Allowance for doubtful accounts	(28)	(39)
Total investments and other assets	9,710	8,770
Total noncurrent assets	42,616	41,348
Total assets	93,320	93,562

(Millions of yen)

	FY2017	FY2018_3Q
	As of March 31, 2018	As of December 31, 2018
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	14,086	14,216
Electronically recorded obligations – operating	4,703	5,503
Short-term loans payable	7,646	8,037
Lease obligations	378	387
Income taxes payable	563	392
Accrued expenses	3,289	3,324
Provision for bonuses	1,468	815
Provision for directors' bonuses	96	63
Provision for product warranties	206	258
Provision for shareholders benefit program	62	31
Electronically recorded obligations - non-operating	757	754
Others	2,384	1,758
Total current liabilities	35,642	35,543
Noncurrent liabilities		
Long-term loans payable	8,582	8,007
Lease obligations	735	902
Deferred tax liabilities	1,480	1,603
Provision for directors' retirement benefits	4	5
Net defined benefit liability	95	99
Asset retirement obligations	89	90
Others	51	44
Total noncurrent liabilities	11,039	10,752
Total liabilities	46,681	46,296
(Net assets)		
Shareholders' equity		
Capital stock	8,545	8,545
Capital surplus	7,434	7,551
Retained earnings	27,376	28,639
Treasury stock	(899)	(901)
Total shareholders' equity	42,457	43,835
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,047	414
Foreign currency translation adjustment	679	220
Remeasurements of defined benefit plans	677	623
Total accumulated other comprehensive income	2,404	1,259
Non-controlling interests	1,777	2,171
Total net assets	46,639	47,266
Total liabilities and net assets	93,320	93,562

(2) Quarterly consolidated statements of income and quarterly consolidated statement of comprehensive income
(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
	(Apr. 1, 2017–December 31, 2017)	(Apr. 1, 2018–December 31, 2018)
	Amount	Amount
Net sales	90,487	102,875
Cost of sales	79,127	90,521
Gross profit	11,360	12,354
Selling, general and administrative expenses		
Packing and delivery expenses	1,020	1,319
Salaries and allowances	1,489	1,620
Provision for bonuses	171	216
Provision for directors' bonuses	63	63
Retirement benefit expenses	51	42
Welfare expenses	740	789
Provision for product warranties	65	119
Provision for shareholders benefit program	28	—
Research and development expenses	981	990
Others	2,319	2,834
Total selling, general and administrative expenses	6,929	7,996
Operating income (loss)	4,430	4,357
Non-operating income		
Interest income	55	93
Dividends income	208	184
Equity in earnings of affiliates	274	150
Foreign exchange gains	74	—
Others	179	149
Total non-operating income	792	578
Non-operating expenses		
Interest expenses	158	188
Foreign exchange losses	—	83
Others	7	15
Total non-operating expenses	166	287
Ordinary income (loss)	5,057	4,647

(Millions of yen)

	Nine months ended December 31, 2017 (Apr. 1, 2017–December 31, 2017)	Nine months ended December 31, 2018 (Apr. 1, 2018–December 31, 2018)
	Amount	Amount
Extraordinary income		
Gain on sales of noncurrent assets	14	26
Gain on sales of investment securities	641	—
Gain on step acquisitions	607	—
Total extraordinary income	1,263	26
Extraordinary loss		
Loss on sales of noncurrent assets	1	42
Loss on retirement of noncurrent assets	65	71
Impairment loss	—	192
Provision of allowance for doubtful accounts of golf club membership	—	11
Surcharges	1,288	282
Total extraordinary loss	1,355	601
Income (loss) before income taxes	4,965	4,072
Income taxes-current	1,024	1,333
Income taxes-deferred	299	422
Total income taxes	1,324	1,755
Profit (loss)	3,641	2,317
Profit (loss) attributable to non-controlling interests	146	258
Profit (loss) attributable to owners of parent	3,494	2,058

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2017 (Apr. 1, 2017–December 31, 2017)	Nine months ended December 31, 2018 (Apr. 1, 2018–December 31, 2018)
	Amount	Amount
Profit (loss)	3,641	2,317
Other comprehensive income		
Valuation difference on available-for-sale securities	337	(632)
Foreign currency translation adjustment	(121)	(520)
Remeasurements of defined benefit plans, net of tax	(22)	(53)
Share of other comprehensive income of associates accounted for using equity method	23	(13)
Total other comprehensive income	216	(1,220)
Comprehensive income	3,858	1,096
(Breakdown)		
Comprehensive income attributable to owners of the parent	3,736	913
Comprehensive income attributable to non-controlling interests	121	183

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2017 (Apr. 1, 2017–December 31, 2017)	Nine months ended December 31, 2018 (Apr. 1, 2018–December 31, 2018)
	Amount	Amount
Net cash provided by (used in) operating activities		
Profit (loss) before income taxes	4,965	4,072
Depreciation and amortization	4,032	4,576
Retirement benefit expenses	(33)	(77)
Increase(decrease) in net defined benefit liability	43	44
Increase (decrease) in provision for directors' retirement benefits	1	0
Increase (decrease) in allowance for doubtful accounts	(31)	15
Increase (decrease) in provision for bonuses	(495)	(652)
Increase (decrease) in provision for directors' bonuses	10	(33)
Increase (decrease) in provision for product warranties	(10)	60
Loss on retirement of noncurrent assets	65	71
Loss(gain) on sales of tangible fixed assets	(12)	16
Surcharges	1,288	282
Interest and dividends income	(263)	(278)
Interest expenses	158	188
Equity in (earnings) losses of affiliates	(274)	(150)
Impairment loss	—	192
Decrease(increase) in notes and accounts receivable-trade	(1,871)	(436)
Decrease(increase) in inventories	(268)	(685)
Increase(decrease) in notes and accounts payable-trade	2,795	1,179
Loss (gain) on sales of investment securities	(641)	—
Loss (gain) on step acquisitions	(607)	—
Decrease(increase) in other current assets	(64)	(329)
Increase (decrease) in other current liabilities	350	233
Other, net	(39)	108
Subtotal	9,097	8,401
Interest and dividends income received	339	339
Interest expenses paid	(159)	(188)
Income taxes paid	(1,128)	(1,389)
Surcharges paid	(1,289)	(738)
Net cash provided by (used in) operating activities	6,860	6,424

(Millions of yen)

	Nine months ended December 31, 2017 (Apr. 1, 2017–December 31, 2017)	Nine months ended December 31, 2018 (Apr. 1, 2018–December 31, 2018)
	Amount	Amount
Net cash provided by (used in) investing activities		
Purchase of tangible fixed assets	(3,915)	(5,228)
Proceeds from sales of tangible fixed assets	43	230
Proceeds from sales of investment securities	990	—
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	229	—
Others	(292)	(220)
Net cash provided by (used in) investing activities	(2,944)	(5,217)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	404	16
Proceeds from long-term loans payable	1,658	1,180
Repayment of long-term loans payable	(828)	(1,338)
Proceeds from share insurance to non-controlling shareholders	1	52
Purchase of treasury stock	(7)	(1)
Cash dividends paid	(477)	(795)
Cash dividends paid to non-controlling shareholders	(106)	(102)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	411
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(34)
Others	19	181
Net cash provided by (used in) financing activities	663	(430)
Effect of exchange rate change on cash and cash equivalents	139	(149)
Net increase (decrease) in cash and cash equivalents	4,717	626
Cash and cash equivalents at beginning of period	6,216	11,965
Cash and cash equivalents at end of period	10,933	12,592

(4) Notes to quarterly consolidated financial statements
 (Going concern assumptions)
 Not applicable

(Notes in the event of significant changes in shareholders' equity)
 Not applicable

(Segment information)

I Nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)

1. Net sales and profit (loss) by reportable segments

(Millions of yen)

	Reportable segment						Other (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	42,089	23,141	2,997	12,512	9,010	89,751	735	90,487
Intersegment sales or Transfers	5,028	121	428	78	1,304	6,961	2,377	9,339
Total	47,118	23,262	3,426	12,591	10,315	96,713	3,113	99,827
Segment income (loss)	699	714	(205)	1,565	1,665	4,439	186	4,625

Note: 1. Our Group consists of the Company and these overseas corporations which are based on a manufacturing and sales structure. As such, "Japan", "the United States", "Europe", "Asia" and "China" are our five reportable segments.

2. Major countries or regions belong to each reportable segment

Europe the Czech Republic, Russia, Germany

Asia Thailand, Indonesia, Vietnam

3. "Other" comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

2. Difference between total segment income (loss) for reportable segments and operating income on consolidated statements of income, and details of the difference (reconciliation of the difference)

(Millions of yen)

Income	Amount
Total segment income	4,439
Income for "Other"	186
Intersegment eliminations	(195)
Operating income on consolidated statements of income	4,430

3. Impairment loss on noncurrent assets and goodwill, etc., by reportable segment

(Significant impairment loss on noncurrent assets)

Not applicable

(Significant change in goodwill amount)

In the segment of "China," accompanying the acquisition of the shares of Qingdao Toyo Heat Exchanger Co., Ltd., the Company is including that company within the scope of consolidation from the current third quarterly consolidated accounting period. Furthermore, the increase amount of goodwill due to the affair is 453 million yen in the current third quarter consolidated accumulative period.

(Significant gain on bargain purchase)

Not applicable

II Nine months ended December 31, 2018 (from April 1, 2018 to December 31, 2018)

1. Net sales and profit (loss) by reportable segments

(Millions of yen)

	Reportable segment						Other (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	45,661	24,073	3,228	13,714	15,478	102,156	719	102,875
Intersegment sales or transfers	4,193	128	363	54	1,450	6,190	2,513	8,704
Total	49,854	24,202	3,591	13,769	16,929	108,346	3,233	111,580
Segment income (loss)	682	(28)	(927)	1,981	2,229	3,936	142	4,079

Note: 1. Our Group consists of the Company and these overseas corporations which are based on a manufacturing and sales structure. As such, “Japan”, “the United States”, “Europe”, “Asia” and “China” are our five reportable segments.

2. Major countries or regions belong to each reportable segment

Europe the Czech Republic, Russia, Germany

Asia Thailand, Indonesia, Vietnam

3. “Other” comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

2. Difference between total segment income (loss) for reportable segments and operating income on consolidated statements of income, and details of the difference (reconciliation of the difference)

(Millions of yen)

Income	Amount
Total segment income	3,936
Income for “Other”	142
Intersegment eliminations	277
Operating income on consolidated statements of income	4,357

3. Impairment loss on noncurrent assets and goodwill, etc., by reportable segment

(Significant impairment loss on noncurrent assets)

In the segment of “China,” we posted impairment losses of goodwill 192 million yen as an extraordinary loss.

(Significant change in goodwill amount)

Not applicable

(Significant gain on bargain purchase)

Not applicable

3. Supplementary information

Sales states (consolidated)

(Millions of yen)

	Nine months ended December 31, 2017 (Apr. 1, 2017–December 31, 2017)		Nine months ended December 31, 2018 (Apr. 1, 2018–December 31, 2018)		Increase/Decrease		FY2017 (Apr 1, 2017–Mar 31, 2018)	
	Amount	%	Amount	%	Amount	%	Amount	%
For Automobile	63,613	70.3	73,296	71.3	9,683	15.2	88,185	70.8
For Construction & Industrial machine	19,773	21.9	23,093	22.4	3,320	16.8	26,957	21.7
For Air conditioner	4,357	4.8	3,881	3.8	-476	-10.9	5,721	4.6
Other	2,743	3.0	2,603	2.5	-139	-5.1	3,625	2.9
Total	90,487	100.0	102,875	100.0	12,388	13.7	124,490	100.0

Notes: Amounts less than one million yen have been truncated.