

Consolidated Financial Results for the 2nd Quarter of Fiscal Year Ending March 31, 2024 (J-GAAP)

November 6, 2023

Company name: T.RAD Co., Ltd.

Code No.: 7236

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Scheduled date of filing of 2nd quarter securities report:

Scheduled date of start of dividend payments:

Supplemental materials prepared for consolidated financial results: None

Briefing on consolidated financial results: Yes

Listing: Tokyo Stock Exchange, Prime Market

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November 7, 2023

November 30, 2023

(Amounts less than one million yen have been truncated)

1. Consolidated Financial Performance for the 2nd Quarter of Fiscal Year Ending March 31, 2024

(April 1, 2023 to September 30, 2023)

(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	%
Six months ended September 30, 2023	80,225	8.4	2,125	158.6	2,617	35.7	1,151	276.2
Six months ended September 30, 2022	74,015	12.9	822	-75.9	1,929	-44.6	306	-83.6

Note: Comprehensive income

Six months ended September 30, 2023: ¥ 3,363 million (-29.9%)

Six months ended September 30, 2022: ¥ 4,800 million (40.6%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended September 30, 2023	176.41		—	
Six months ended September 30, 2022	46.88		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Six months ended September 30, 2023	102,567	47,223	44.4	6,957.09
Fiscal year ended March 31, 2023	94,098	43,851	44.9	6,479.13

Reference: Shareholders' equity

As of September 30, 2023: ¥45,526 million

As of March 31, 2023 : ¥42,261 million

2. Dividends

	Dividends per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	80.00	—	0.00	80.00
Fiscal year ending March 31, 2024	—	80.00			
Fiscal year ending March 31, 2024(Forecast)			—	80.00	160.00

Note: Revisions to the forecast of dividends since the latest official announcement: Yes

For revisions to dividend forecasts, please refer to "Notice on Revision of Interim and Year-End Dividend Forecasts for Surplus Distribution" that we announced today (November 6, 2023).

3. Forecast of Consolidated Financial Performance for the Fiscal Year Ending March 31, 2024

(April 1, 2023 to March 31, 2024)

(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, 2024	160,000	7.1	3,000	185.6	3,800	82.4	1,200	—	183.38

Note: Revisions to forecast of consolidated financial performance since the latest official announcement: Yes

For revisions to forecasts of consolidated financial performance, please refer to “Notice on Differences between Consolidated and Non-Consolidated Earnings Forecasts for the Second Quarter of the Cumulative Period and Actual Results, and Revision of Full-Year Earnings Forecasts (Consolidated and Non-Consolidated), and Occurrence of Extraordinary Losses (Non-Consolidated)” that we announced today (November 6, 2023).

4. Other

(1) Changes in significant subsidiaries during the current quarter

(changes in specific subsidiaries resulting in changes in the scope of consolidation): No

(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 September 30, 2023: 6,712,411 shares

As of March 31, 2023: 6,712,411 shares

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

As of September 30, 2023: 168,526 shares

As of March 31, 2023: 189,621 shares

3) Average number of shares outstanding during the period

Six months ended September 30, 2023: 6,528,829 shares

Six months ended September 30, 2022: 6,531,458 shares

* 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

Revisions to non-consolidated earnings forecasts for the first half and full year ending March 31, 2024, have been made to the forecasts announced on August 7, 2023.

Revised full-year forecast

Net sales of 77,000 million yen, operating income of 1,200 million yen, ordinary income of 7,000 million yen, net income of 2,000 million yen, and net income per share of 305.63 yen

(Cautionary statement regarding forward-looking statements, etc.)

The forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company believes reasonable. They are not intended to be a promise by the Company to achieve such results. Actual results may differ materially due to various factors.

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1. Qualitative Information for the Second Quarter of Fiscal Year Ending March 31, 2024

(1) Consolidated financial performance

The economic environment for the second quarter of the current consolidated cumulative period continues to be uncertain, with no signs of improvement in the situation in Ukraine, slow progress in the improvement of the Chinese economy, and ongoing global market uncertainty, delayed stabilization of rising prices and high energy costs amidst a weak yen.

Under the circumstances, the net sales of the TRAD Group (on a foreign currency basis) increased from the same period of the previous year except China region. Operating income increased from the same period of the previous year due to the increase of net sales etc. The profit attributable to owner of parent increased from the same period of the previous year.

As a result, net sales during the consolidated cumulative second quarter increased by 6,209 million yen from the previous fiscal year, amounting to 80,225 million yen (up 8.4% year on year), operating income increased by 1,303 million yen, amounting to 2,125 million yen (up 158.6% year on year), ordinary income increased by 688 million yen, amounting to 2,617 million yen (up 35.7% year on year) and profit attributable to owners of parent increased by 845 million yen, amounting to 1,151 million yen (up 276.2% year on year).

The book-closing date for the consolidated subsidiaries for the first six months of the fiscal year under review is June 30. In preparing the consolidated financial statements, the financial statements as of, and for the six-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 include the United States, Europe, Asia and China.

Domestic subsidiaries have the same settlement date that coincides with the last day of the consolidated fiscal year. The corresponding segment is Other.

	Net Sales				Operating Income (Loss)			
	Six months ended September 30, 2022	Six months ended September 30, 2023	Increase/Decrease	Percentage change (on a foreign currency basis)*	Six months ended September 30, 2022	Six months ended September 30, 2023	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	31,705	34,542	2,837	8.9	542	917	375	69.2
United States	19,453	21,324	1,871	3.3	(1,625)	(1,526)	99	—
Europe	2,964	3,140	175	3.5	(229)	29	259	—
Asia	9,080	10,931	1,851	15.8	1,238	1,756	518	35.1
China	10,713	10,136	-577	-4.4	870	872	1	2.4
Others (including eliminations)	99	150	51	51.9	25	75	50	199.5
Total	74,015	80,225	6,209	6.3	822	2,125	1,303	189.1

*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.

(i) Japan

Net sales of products for automobile industry and construction industrial machines were increased from the same period of the previous year due to an increase in orders etc. As a result, the net sales in the Japan segment increased by 2,837 million yen, resulting in 34,542 million yen.

Operating income increased by 375 million yen from the same period last year, reaching 917 million yen, due to the successful transfer of increased materials, parts, and energy costs to sales prices.

(ii) United States

Net sales of products for automobile industry increased year on year due to the start of mass production of newly ordered models and an increase in orders received etc. As a result, the net sales in the United States segment increased by 1,871 million yen from the same period of the previous year, resulting in 21,324 million yen. On a foreign currency basis, it increased by 3.3%.

Operating income increased by 99 million yen year-on-year, resulting in operating loss of 1,526 million yen due to the decrease of depreciation and amortization etc.

(iii) Europe

Net sales of products for automobile industry in the Czech Republic were increased from the same period of the previous year due to the commencement of mass production of models for which orders were newly received etc. As a result, the net sales in this segment increased by 175 million yen year-on-year to 3,140 million yen. On a foreign currency basis, it increased by 3.5%.

Operating income increased by 259 million yen year on year to 29 million yen, partly due to the local government's electricity cost subsidy policy.

(iv) Asia

Net sales of products for automobile industry decreased in Vietnam due to economic downturns and other factors but have increased from the same period last year in Thailand and Indonesia due to an increase in orders. As a result, the net sales in the Asia segment increased by 1,851 million yen from the same period of the previous year, resulting in 10,931 million yen. On a foreign currency basis, it increased by 15.8%.

Operating income increased by 518 million yen from the same period of the previous year due to the increase of net sales etc., resulting in 1,756 million yen. On a foreign currency basis, it increased by 35.1%.

(v) China

Net sales of products for construction industrial machines increased due to a rise in orders. However, automobile-related sales have decreased from the same period last year due to a decline in orders resulting from a market downturn. As a result, the net sales in this segment decreased by 577 million yen from the same period of the previous year, to 10,136 million yen. On a foreign currency basis, it decreased by 4.4%.

Operating income increased by 1 million yen from the same period of the previous year, partly due to the impact of foreign exchange rates etc., resulting in 872 million yen. On a foreign currency basis, it increased by 2.4%.

(2) Consolidated financial position

1) Assets, liabilities and net assets

Total assets at the end of current second quarter of the fiscal year under review resulted in 102,567 million yen (up 8,469 million yen from the end of the previous fiscal year) due to the increase of cash and deposits, tangible fixed assets and accounts receivable-trade etc.

Total liabilities resulted in 55,343 million yen (up 5,096 million yen) due to the increase of accounts payable-trade and loans payable etc.

Net assets resulted in 47,223 million yen (up 3,372 million yen) due to the increase of foreign currency translation adjustment and retained earnings etc.

2) Cash flows

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

Net cash provided by operating activities was 8,198 million yen, an increase of 3,924 million yen year on year due to the increase of profit before income taxes and increase of dividends income etc.

Net cash used in investing activities was 3,822 million yen, an increase of 63 million yen year on year due to the increase of capital investment etc.

Free cash flow, the sum of net cash provided by operating activities and net cash used in investing activities, increased by 3,861 million yen year-on-year. The result was a cash inflow of 4,376 million yen.

Furthermore, net cash provided by financing activities was 999 million yen, an increase of 1,687 million yen year on year due to the decrease of cash dividends paid and increase of interest-bearing liabilities etc.

As an above result, cash and cash equivalents at the end of the current second quarter of the fiscal year under review totaled 16,468 million yen, an increase of 2,206 million yen from the end of the previous fiscal year.

(3) Future projections including forecasts of consolidated financial performance

We revised the forecasts of consolidated and non-consolidated financial performance and dividend forecasts released on August 7, 2023.

For details, please refer to "Notice on Differences between Consolidated and Non-Consolidated Earnings Forecasts for the Second Quarter of the Cumulative Period and Actual Results, and Revision of Full-Year Earnings Forecasts (Consolidated and Non-Consolidated), and Occurrence of Extraordinary Losses (Non-Consolidated)" that we announced today (November 6, 2023).

2. Quarterly Consolidated Financial Statements and main notes

(1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2022	FY2023_2Q
	As of March 31, 2023	As of September 30, 2023
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	10,225	17,114
Notes receivable-trade	772	720
Electronically recorded monetary claims-operating	2,760	3,098
Accounts receivable-trade	25,527	28,721
Short-term investment securities	489	99
Merchandise and finished goods	4,356	3,595
Work in process	795	880
Raw materials and supplies	10,718	9,405
Others	2,738	2,613
Allowance for doubtful accounts	(246)	(264)
Total current assets	58,138	65,985
Noncurrent assets		
Tangible fixed assets		
Building and structures, net	6,662	6,709
Machinery, equipment and vehicles, net	13,783	13,918
Land	2,444	2,526
Lease assets, net	1,650	1,650
Construction in progress	2,729	3,469
Other tangible fixed assets, net	1,909	2,180
Total tangible fixed assets	29,179	30,455
Intangible assets		
Others	2,153	2,561
Total intangible assets	2,153	2,561
Investments and other assets		
Investment securities	2,967	1,791
Net defined benefit asset	895	924
Deferred tax assets	203	258
Others	565	595
Allowance for doubtful accounts	(5)	(5)
Total investments and other assets	4,626	3,564
Total noncurrent assets	35,959	36,582
Total assets	94,098	102,567

(Millions of yen)

	FY2022	FY2023_2Q
	As of March 31, 2023	As of September 30, 2023
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,886	14,927
Electronically recorded obligations – operating	4,613	5,750
Short-term loans payable	11,045	10,387
Lease obligations	410	448
Income taxes payable	544	937
Accrued expenses	3,528	3,889
Provision for bonuses	1,355	1,336
Provision for directors' bonuses	25	16
Provision for product warranties	661	562
Provision for loss on order received	209	237
Electronically recorded obligations - non-operating	715	800
Others	961	1,014
Total current liabilities	37,958	40,308
Noncurrent liabilities		
Long-term loans payable	8,159	10,812
Lease obligations	2,831	2,854
Deferred tax liabilities	793	820
Net defined benefit liability	292	338
Provision for share awards	29	37
Asset retirement obligations	92	93
Others	88	77
Total noncurrent liabilities	12,288	15,034
Total liabilities	50,246	55,343
(Net assets)		
Shareholders' equity		
Capital stock	8,570	8,570
Capital surplus	7,353	7,352
Retained earnings	22,100	23,211
Treasury stock	(452)	(401)
Total shareholders' equity	37,571	38,732
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11	17
Foreign currency translation adjustment	3,700	5,830
Remeasurements of defined benefit plans	977	945
Total accumulated other comprehensive income	4,690	6,793
Non-controlling interests	1,589	1,697
Total net assets	43,851	47,223
Total liabilities and net assets	94,098	102,567

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

(Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
	(Apr. 1, 2022–September 30, 2022)	(Apr. 1, 2023–September 30, 2023)
	Amount	Amount
Net sales	74,015	80,225
Cost of sales	67,936	73,122
Gross profit	6,079	7,103
Selling, general and administrative expenses		
Packing and delivery expenses	803	757
Salaries and allowances	998	1,117
Provision for bonuses	411	364
Provision for directors' bonuses	27	16
Retirement benefit expenses	35	18
Welfare expenses	747	681
Provision for product warranties	272	125
Provision of allowance for doubtful accounts	—	3
Provision for share awards	585	533
Research and development expenses	20	7
Others	1,355	1,351
Total selling, general and administrative expenses	5,257	4,977
Operating income (loss)	822	2,125
Non-operating income		
Interest income	79	119
Dividends income	5	3
Equity in earnings of affiliates	269	320
Foreign exchange gains	765	269
Others	120	111
Total non-operating income	1,239	824
Non-operating expenses		
Interest expenses	115	329
Others	16	3
Total non-operating expenses	132	332
Ordinary income (loss)	1,929	2,617

(Millions of yen)

	Six months ended September 30, 2022 (Apr. 1, 2022–September 30, 2022)	Six months ended September 30, 2023 (Apr. 1, 2023–September 30, 2023)
	Amount	Amount
Extraordinary income		
Gain on sales of noncurrent assets	14	92
Total extraordinary income	14	92
Extraordinary loss		
Loss on sales of noncurrent assets	15	10
Loss on retirement of noncurrent assets	31	24
Loss on reversal of foreign currency translation adjustment	401	—
Total extraordinary loss	448	34
Income (loss) before income taxes	1,495	2,676
Income taxes-current	1,210	1,525
Income taxes-deferred	76	(3)
Total income taxes	1,286	1,521
Profit (loss)	208	1,154
Profit (loss) attributable to non-controlling interests	(97)	2
Profit (loss) attributable to owners of parent	306	1,151

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Six months ended September 30, 2022 (Apr. 1, 2022–September 30, 2022)	Six months ended September 30, 2023 (Apr. 1, 2023–September 30, 2023)
	Amount	Amount
Profit (loss)	208	1,154
Other comprehensive income		
Valuation difference on available-for-sale securities	10	5
Foreign currency translation adjustment	4,318	2,000
Remeasurements of defined benefit plans, net of tax	(12)	(34)
Share of other comprehensive income of associates accounted for using equity method	274	237
Total other comprehensive income	4,591	2,208
Comprehensive income	4,800	3,363
(Breakdown)		
Comprehensive income attributable to owners of the parent	4,483	3,255
Comprehensive income attributable to non-controlling interests	316	108

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2022 (Apr. 1, 2022–September 30, 2022)	Six months ended September 30, 2023 (Apr. 1, 2023–September 30, 2023)
	Amount	Amount
Net cash provided by (used in) operating activities		
Profit (loss) before income taxes	1,495	2,676
Depreciation and amortization	3,018	2,968
Retirement benefit expenses	(11)	(50)
Increase(decrease) in net defined benefit liability	19	(9)
Increase (decrease) in allowance for doubtful accounts	7	3
Increase (decrease) in provision for bonuses	66	(22)
Increase (decrease) in provision for directors' bonuses	(44)	(9)
Increase (decrease) in provision for product warranties	(106)	(136)
Loss on retirement of noncurrent assets	31	24
Loss(gain) on sales of tangible fixed assets	1	(82)
Interest and dividends income	(84)	(123)
Interest expenses	115	329
Foreign exchange losses (gains)	(139)	(154)
Equity in (earnings) losses of affiliates	(269)	(320)
Decrease(increase) in notes and accounts receivable-trade	1,601	(2,507)
Decrease(increase) in inventories	(1,525)	3,033
Increase(decrease) in notes and accounts payable-trade	835	1,471
Loss on reversal of foreign currency translation adjustment	401	—
Decrease(increase) in other current assets	(455)	227
Increase (decrease) in other current liabilities	737	505
Other, net	60	21
Subtotal	5,755	7,844
Interest and dividends income received	84	1,808
Interest expenses paid	(108)	(314)
Income taxes paid	(1,457)	(1,139)
Net cash provided by (used in) operating activities	4,274	8,198

(Millions of yen)

	Six months ended September 30, 2022 (Apr. 1, 2022–September 30, 2022)	Six months ended September 30, 2023 (Apr. 1, 2023–September 30, 2023)
	Amount	Amount
Net cash provided by (used in) investing activities		
Purchase of tangible fixed assets	(3,327)	(3,116)
Proceeds from sales of tangible fixed assets	103	149
Purchase of intangible assets	(390)	(481)
Purchase of investment securities	—	(0)
Payments into time deposits	(776)	(1,211)
Proceeds from withdrawal of time deposits	649	854
Others	(17)	(16)
Net cash provided by (used in) investing activities	(3,759)	(3,822)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(561)	270
Proceeds from long-term loans payable	3,140	3,210
Repayment of long-term loans payable	(2,031)	(2,201)
Purchase of treasury stock	(115)	—
Cash dividends paid	(784)	—
Cash dividends paid to non-controlling shareholders	(106)	(112)
Others	(229)	(167)
Net cash provided by (used in) financing activities	(688)	999
Effect of exchange rate change on cash and cash equivalents	1,211	731
Net increase (decrease) in cash and cash equivalents	1,038	6,107
Cash and cash equivalents at beginning of period	13,404	10,361
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	(180)	—
Cash and cash equivalents at end of period	14,262	16,468

(4) Notes to quarterly consolidated financial statements

(Going concern assumptions)

Not applicable

(Notes in the event of significant changes in shareholders' equity)

Based on the resolution of the Board of Directors' meeting held on July 18, 2023, we disposed of 21,276 shares of treasury stock on August 18, 2023, as restricted stock compensation for Directors and Managing Executive Officers.

As a result, treasury stock increased by 50 million yen, capital surplus (gain on the disposal of treasury stock) increased by 1 million yen and retained earnings decreased by 40 million yen in the second quarter of the current consolidated cumulative period. As of the end of the second quarter of the current consolidated cumulative period, the treasury stock amounted to 401 million yen, the capital surplus amounted to 7,352 million yen and retained earnings amounted to 23,211 million yen.

(Additional information)

(About the accounting estimate associated with the spread of novel coronavirus infections)

There have been no significant changes to the assumptions about the impact of the COVID-19 pandemic on the Group's business, as stated in the "Additional Information" section of the Annual Securities Report for the previous fiscal year.

(Transfers between retirement benefit plans)

On April 1, 2023, the Company transferred a portion of its defined benefit corporate pension plan to a defined contribution pension plan. As a result, the Company applied the Accounting for Transfers between Retirement Benefit Plans (ASBJ Guidance No. 1, December 16, 2016) and the Practical Solution on Accounting for Transfers between Retirement Benefit Plans (PITF No. 2, February 7, 2007). No gain or loss was recognized as a result of this transition.

(Segment information)

I Six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

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

(Millions of yen)

	Reportable segment						Others (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	31,705	19,453	2,964	9,080	10,713	73,916	99	74,015
Intersegment sales or Transfers	3,802	60	86	168	1,142	5,260	969	6,230
Total	35,507	19,513	3,050	9,249	11,855	79,177	1,068	80,245
Segment income (loss)	542	(1,625)	(229)	1,238	870	796	15	812

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

AsiaThailand, Indonesia, Vietnam

3. “Others” 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 or loss	Amount
Total segment income	796
Income for “Others”	15
Intersegment eliminations	9
Operating income on consolidated statements of income	822

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)

Not applicable

(Significant gain on bargain purchase)

Not applicable

II Six months ended September 30, 2023 (from April 1, 2023 to September 30, 2023)

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

(Millions of yen)

	Reportable segment						Others (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	34,542	21,324	3,140	10,931	10,136	80,075	150	80,225
Intersegment sales or transfers	3,289	20	49	188	952	4,500	1,010	5,511
Total	37,832	21,345	3,189	11,120	11,088	84,576	1,160	85,736
Segment income (loss)	917	(1,526)	29	1,756	872	2,049	51	2,100

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

Europethe Czech Republic, Germany

AsiaThailand, Indonesia, Vietnam

3. “Others” 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 or loss	Amount
Total segment income	2,049
Income for “Others”	51
Intersegment eliminations	24
Operating income on consolidated statements of income	2,125

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)

Not applicable

(Significant gain on bargain purchase)

Not applicable

3. Supplementary information

Sales states (consolidated)

(Millions of yen)

	Six months ended September 30, 2022 (Apr. 1, 2022–September 30, 2022)		Six months ended September 30, 2023 (Apr. 1, 2023–September 30, 2023)		Increase/Decrease		FY2022 (Apr 1, 2022–Mar 31, 2023)	
	Amount	%	Amount	%	Amount	%	Amount	%
For Automobile	56,754	76.7	62,152	77.5	5,398	9.5	114,417	76.5
For Construction & Industrial machine	14,766	20.0	15,803	19.7	1,037	7.0	30,283	20.3
For Air conditioner	1,114	1.5	1,044	1.3	-69	-6.3	2,090	1.4
Other	1,380	1.8	1,224	1.5	-155	-11.3	2,622	1.8
Total	74,015	100.0	80,225	100.0	6,209	8.4	149,413	100.0

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