

## Translation

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November 13, 2018

# CONSOLIDATED FINANCIAL RESULTS for the First Six Months of the Fiscal Year Ending March 31, 2019 <under Japanese GAAP>

Company name: **TOMY COMPANY, LTD.**  
Listing: First Section of the Tokyo Stock Exchange  
Securities identification code: 7867  
URL: [www.takaratomy.co.jp](http://www.takaratomy.co.jp)  
Representative: Kazuhiro Kojima, Representative Director, President & COO  
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Scheduled date to file quarterly securities report: November 13, 2018  
Scheduled date to commence dividend payments: December 13, 2018  
Supplementary material on quarterly financial results: Yes  
Quarterly financial results presentation meeting: Yes (for institutional investors and analysts)

(in millions of yen with fractional amounts discarded, unless otherwise noted)

## 1. Consolidated performance for the first six months of the fiscal year ending March 31, 2019 (From April 1, 2018 to September 30, 2018)

### (1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

Six months ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2018	89,125	1.3	7,072	7.6	7,343	14.4	4,951	17.2
September 30, 2017	87,975	14.7	6,572	153.4	6,419	297.4	4,226	605.3

Note: Comprehensive income  
Six months ended September 30, 2018: 8,551 million yen [ 88.4%]  
Six months ended September 30, 2017: 4,537 million yen [ -%]

Six months ended	Basic earnings per share	Diluted earnings per share
	yen	yen
September 30, 2018	52.17	51.99
September 30, 2017	45.08	44.55

### (2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	yen
September 30, 2018	151,540	64,771	42.4	674.66
March 31, 2018	139,456	56,322	40.0	591.00

Reference: Equity  
As of September 30, 2018: 64,214 million yen  
As of March 31, 2018: 55,757 million yen

## 2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	yen	yen	yen	yen	yen
Fiscal year ended March 31, 2018	–	7.00	–	7.00	14.00
Fiscal year ending March 31, 2019	–	7.00			
Fiscal year ending March 31, 2019 (Forecast)			–	7.00	14.00

Note: Revisions to the cash dividend forecasts most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2019

(From April 1, 2018 to March 31, 2019)

(Percentages indicate 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, 2019	178,500	0.6	13,500	2.3	13,500	8.7	8,500	6.8	89.55

Note: Revisions to the consolidated earnings forecasts most recently announced: None

\* **Notes**

**(1) Changes in significant subsidiaries during the six months under review** (changes in specified subsidiaries resulting in the change in scope of consolidation): None

**(2) Application of specific accounting for preparing quarterly consolidated financial statements:**  
Yes

Note: For more details, please refer to the section of “(4) Notes Regarding Consolidated Financial Statements, (Application of specific accounting for preparing quarterly consolidated financial statements)” of “2. Consolidated Financial Statements and Significant Notes Thereto” on page 13 of the attached material.

**(3) Changes in accounting policies, changes in accounting estimates, and restatement**

A. Changes in accounting policies due to revisions to accounting standards: None

B. Changes in accounting policies due to other reasons: None

C. Changes in accounting estimates: None

D. Restatement: None

**(4) Number of issued shares (common shares)**

A. Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2018	96,290,850 shares
As of March 31, 2018	96,290,850 shares

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

As of September 30, 2018	1,110,718 shares
As of March 31, 2018	1,947,313 shares

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

Six months ended September 30, 2018	94,910,366 shares
Six months ended September 30, 2017	93,740,635 shares

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

# 1. Qualitative Information Regarding Consolidated Operating Results

## (1) Explanation of Operating Results

(Highlights of First Six Months of the Fiscal Year Ending March 31, 2019)

- Net sales were ¥89,125 million (up 1.3% year on year), which not only posted year-on-year growth, but also nearly hit a record high. The drivers behind this were brisk sales of toys in the Japanese market, including both long-standing products and new products, and other increases such as overseas-bound exports of BEYBLADE BURST.
- Operating profit, ordinary profit and profit attributable to owners of parent all posted record highs. Operating profit was ¥7,072 million (up 7.6% year on year). This was attributable to the growth in gross profit due to an increase in net sales. Ordinary profit was ¥7,343 million (up 14.4% year on year). This was attributable to the increase in foreign exchange gains in addition to the growth in operating profit. Profit attributable to owners of parent was ¥4,951 million (up 17.2% year on year). The growth was driven by the increase in ordinary profit.
- In the Japanese market, the long-standing PLARAIL brand saw strong sales of products related to SHINKALION, a TV animation series. In the LICCA doll brand, dolls and dollhouse products both also sold well. The trading card game DUEL MASTERS also gained popularity due to positive effects from enhancement of its product appeal. Moreover, L.O.L. SURPRISE! launched in the summer have been well received.
- In the TOMY International Group, agricultural machinery toys sold briskly, and we began development of Printoss (overseas product name: KiiPix), which originated in Japan. On the other hand, sales of character-related toys declined, resulting in lower net sales.

### Overview of Reportable Segments

#### <Overview of operating results by segment>

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change	Rate of change (%)
Net sales	87,975	89,125	1,150	1.3
Japan	73,799	74,616	817	1.1
Americas	12,273	9,735	(2,538)	(20.7)
Europe	3,704	2,857	(847)	(22.9)
Oceania	1,154	957	(197)	(17.1)
Asia (excl. Japan)	30,887	29,709	(1,177)	(3.8)
Eliminations and corporate	(33,845)	(28,751)	5,093	–
Operating profit/(loss)	6,572	7,072	500	7.6
Japan	6,642	8,119	1,477	22.2
Americas	132	(31)	(163)	–
Europe	(45)	(321)	(275)	–
Oceania	25	25	(0)	(0.4)
Asia (excl. Japan)	806	523	(282)	(35.1)
Eliminations and corporate	(988)	(1,244)	(255)	–

## Japan

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change
Net sales	73,799	74,616	817
Operating profit	6,642	8,119	1,477

Net sales in Japan for the first six months of the fiscal year were ¥74,616 million (up 1.1% year on year), while operating profit was ¥8,119 million (up 22.2% year on year).

In Japan, with respect to long-standing products, the PLARAIL range, products related to SHINKALION, a TV animation series on the air since January, sold briskly. Meanwhile, in the LICCA doll brand, which celebrated its 50th anniversary in the previous year, dolls and dollhouse products continued to be well received in the current year in the wake of the anniversary events.

The trading card game DUEL MASTERS gained popularity due to the effects of a review of card contents and other efforts to enhance product appeal. Furthermore, the next-generation spinning-top battle toy BEYBLADE BURST gained popularity overseas and its exports from Japan grew significantly. In new products, there was growth in sales of products for girls, such as the photogenic surprise doll L.O.L. SURPRISE!, cumulative shipments of which have surpassed 1 million units in Japan, confirming its status as a hit product primarily among elementary schoolgirls.

We have also taken a proactive approach to developing in-house content and to sales of related products, such as the second live action series aimed at girls, Magical×Heroine MagimajoPures!, which has been running since April, and a TV program aimed at boys, the real moving kit toy ZOIDS WILD, which has a dinosaur and animal theme, and began broadcasting in July.

At T-ARTS Company, Ltd., the amusement machine Pokémon Ga-Olé continued to be well received and shipments of OEM products expanded.

Also, because the TRANSFORMERS movie that had been initially scheduled for release during the summer has now been rescheduled to December 2018, there was a decline in overseas-bound exports of related products.

For the reason described above, net sales increased. Meanwhile, operating profit also increased significantly.

## Americas

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change
Net sales	12,273	9,735	(2,538)
Operating profit/(loss)	132	(31)	(163)

Net sales in the Americas were ¥9,735 million (down 20.7% year on year), while operating loss was ¥31 million, compared with an operating profit of ¥132 million in the same period a year earlier. The decline in net sales was due to lower sales of character-related toys. We are working on initiatives to strengthen core brands, through such measures as developing new products. In addition to brisk sales of agricultural machinery toys, we launched Printoss (overseas product name: KiiPix), a product that was developed in Japan to allow the easy printing of smartphone photos, and which has since become popular.

## Europe

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change
Net sales	3,704	2,857	(847)
Operating loss	(45)	(321)	(275)

Net sales in Europe were ¥2,857 million (down 22.9% year on year), while operating loss was ¥321 million, compared with an operating loss of ¥45 million in the same period a year earlier. The decline in net sales was due to lower sales of character-related toys. The operating loss was attributable to declines in gross profit following discounted sales of certain products. Agricultural machinery toys recorded strong sales. In addition, we rolled out the Printoss (overseas product name: KiiPix) in seven countries, including the UK, France and Germany.

### Oceania

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change
Net sales	1,154	957	(197)
Operating profit	25	25	(0)

Net sales in Oceania were ¥957 million (down 17.1% year on year), while operating profit was ¥25 million (down 0.4% year on year). These results reflected a decrease in sales of character-related toys, despite robust sales of agricultural machinery toys and baby products as well as the start of sales of Printoss (overseas product name: KiiPix).

### Asia (excl. Japan)

(Millions of yen)

	First six months of the fiscal year ended March 31, 2018	First six months of the fiscal year ending March 31, 2019	Change
Net sales	30,887	29,709	(1,177)
Operating profit	806	523	(282)

Net sales in Asia (excl. Japan) were ¥29,709 million (down 3.8% year on year), while operating profit was ¥523 million (down 35.1% year on year). Manufacturing subsidiary TOMY (Hong Kong) Ltd. saw a decline in shipments to Europe and North America, which was one of the main factors leading to the declines in net sales and operating profit. The next-generation spinning-top battle toy BEYBLADE BURST animated TV series is being broadcast in South Korea, Hong Kong, Taiwan, and other countries and regions, and our marketing strategy of holding major events in support of this has been effective, leading to a strong reception for this product line. With regard to the TOMICA brand, which has expanded throughout the Asian region, efforts to strengthen marketing led to stronger sales. Furthermore, as well as launching ZOIDS WILD toys in South Korea in August, we also began sales of products related to the LICCA doll brand in China in September. In addition, we are developing in-house contents in Asia, and since March, we have gradually rolled out broadcasts of the Idol×Warrior MiracleTunes!, a live action series aimed at girls in South Korea, China and Thailand, and the TOMICA HYPER RESCUE DRIVE HEAD TV animation series, in South Korea, Hong Kong, Taiwan and Thailand.

## (2) Overview of Financial Position

### Assets, Liabilities and Net Assets

#### <Assets>

At the end of the second quarter of the fiscal year ending March 31, 2019, current assets stood at ¥99,065 million, up ¥11,035 million from the end of the previous fiscal year ended March 31, 2018. This is mainly attributable to increases in notes and accounts receivable - trade and merchandise and finished goods.

Non-current assets stood at ¥52,468 million, up ¥1,056 million from the end of the previous fiscal year. This is mainly attributable to an increase in intangible assets, despite a decrease in investments and other assets.

#### <Liabilities>

At the end of the second quarter, current liabilities stood at ¥57,980 million, up ¥4,642 million from the end of the previous fiscal year. This is mainly attributable to increases in notes and accounts payable - trade and income taxes payable, despite a decrease in accrued expenses.

Non-current liabilities stood at ¥28,788 million, down ¥1,007 million from the end of the previous fiscal year. This is mainly attributable to a decrease in long-term loans payable, despite an increase in lease obligations.

#### <Net assets>

At the end of the second quarter, total net assets were ¥64,771 million, up ¥8,449 million from the end of the previous fiscal year. This is mainly attributable to increases in retained earnings and foreign currency translation adjustment.

### Cash Flows

Cash and cash equivalents (hereafter “cash”) at the end of the second quarter of the fiscal year ending March 31, 2019 was ¥46,003 million, a decrease of ¥202 million compared with the end of the previous fiscal year ended March 31, 2018.

Net cash provided by operating activities was ¥4,008 million, compared with ¥2,857 million used in the same period a year earlier. The main factors are profit before income taxes of ¥7,422 million and an increase in notes and accounts payable - trade of ¥3,816 million, despite an increase in notes and accounts receivable - trade of ¥5,451 million and an increase in inventories of ¥2,061 million.

Net cash used in investing activities was ¥2,494 million, compared with ¥2,045 million used in the same period a year earlier. The main factors are purchase of property, plant and equipment of ¥1,960 million and purchase of intangible assets of ¥660 million.

Net cash used in financing activities was ¥2,149 million, compared with ¥14,108 million used in the same period a year earlier. The main factors are repayments of finance lease obligations of ¥1,606 million and repayments of long-term loans payable of ¥1,531 million, despite net increase in short-term loans payable of ¥609 million and proceeds from disposal of treasury shares of ¥526 million.

## (3) Explanation of Consolidated Earnings Forecasts and Other Forward-looking Statements

We have revised the earnings forecasts that was announced on May 11, 2018. For specific details, please refer to “Notice Concerning Revisions of Earnings Forecasts” announced on October 26, 2018.

## 2. Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	46,302	46,103
Notes and accounts receivable - trade	23,582	29,388
Merchandise and finished goods	12,888	15,172
Work in process	393	444
Raw materials and supplies	1,045	1,094
Other	4,037	7,082
Allowance for doubtful accounts	(219)	(220)
Total current assets	88,030	99,065
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,748	12,762
Accumulated depreciation	(7,919)	(8,081)
Accumulated impairment loss	(408)	(410)
Buildings and structures, net	4,420	4,269
Machinery, equipment and vehicles	2,513	2,544
Accumulated depreciation	(1,770)	(1,808)
Accumulated impairment loss	(17)	(17)
Machinery, equipment and vehicles, net	726	718
Tools, furniture and fixtures	22,926	23,571
Accumulated depreciation	(20,727)	(21,414)
Accumulated impairment loss	(589)	(585)
Tools, furniture and fixtures, net	1,609	1,571
Land	3,991	3,961
Leased assets	7,174	8,473
Accumulated depreciation	(3,313)	(3,742)
Accumulated impairment loss	(0)	(0)
Leased assets, net	3,860	4,731
Construction in progress	661	297
Total property, plant and equipment	15,269	15,550
Intangible assets		
Goodwill	18,006	18,513
Other	10,663	11,043
Total intangible assets	28,670	29,557
Investments and other assets		
Investment securities	3,054	3,298
Deferred tax assets	2,147	1,651
Other	2,738	2,872
Allowance for doubtful accounts	(468)	(461)
Total investments and other assets	7,472	7,361
Total non-current assets	51,412	52,468
Deferred assets		
Bond issuance cost	13	6
Total deferred assets	13	6
<b>Total assets</b>	<b>139,456</b>	<b>151,540</b>



(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,976	14,136
Short-term loans payable	7,631	8,285
Current portion of bonds	10,000	10,000
Current portion of long-term loans payable	3,062	3,062
Lease obligations	2,642	3,124
Accounts payable - other	8,051	7,780
Accrued expenses	8,220	7,356
Income taxes payable	1,726	2,682
Provision	736	582
Other	1,288	969
<b>Total current liabilities</b>	<b>53,338</b>	<b>57,980</b>
Non-current liabilities		
Long-term loans payable	22,098	20,567
Lease obligations	1,217	1,827
Deferred tax liabilities	1,078	1,136
Deferred tax liabilities for land revaluation	472	472
Provision	497	502
Net defined benefit liability	2,693	2,642
Other	1,737	1,640
<b>Total non-current liabilities</b>	<b>29,795</b>	<b>28,788</b>
<b>Total liabilities</b>	<b>83,134</b>	<b>86,768</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,459	3,459
Capital surplus	9,095	9,135
Retained earnings	35,881	40,133
Treasury shares	(1,271)	(725)
<b>Total shareholders' equity</b>	<b>47,165</b>	<b>52,003</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,083	1,251
Deferred gains or losses on hedges	(140)	772
Revaluation reserve for land	585	624
Foreign currency translation adjustment	7,727	10,229
Remeasurements of defined benefit plans	(664)	(667)
<b>Total accumulated other comprehensive income</b>	<b>8,591</b>	<b>12,210</b>
Share acquisition rights	175	149
Non-controlling interests	389	408
<b>Total net assets</b>	<b>56,322</b>	<b>64,771</b>
<b>Total liabilities and net assets</b>	<b>139,456</b>	<b>151,540</b>

**(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income  
(Consolidated statement of income)**

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Net sales	87,975	89,125
Cost of sales	52,711	53,116
Gross profit	35,263	36,008
Selling, general and administrative expenses	28,691	28,936
Operating profit	6,572	7,072
Non-operating income		
Interest and dividend income	107	112
Foreign exchange gains	18	253
Rent income	76	74
Other	65	142
Total non-operating income	269	583
Non-operating expenses		
Interest expenses	280	181
Other	140	129
Total non-operating expenses	421	311
Ordinary profit	6,419	7,343
Extraordinary income		
Gain on sales of non-current assets	18	3
Gain on reversal of share acquisition rights	8	16
Gain on sales of investments in capital	–	165
Total extraordinary income	26	185
Extraordinary losses		
Impairment loss	16	99
Provision of allowance for doubtful accounts	385	–
Other	0	7
Total extraordinary losses	403	106
Profit before income taxes	6,043	7,422
Income taxes	1,798	2,452
Profit	4,244	4,970
Profit attributable to non-controlling interests	17	19
Profit attributable to owners of parent	4,226	4,951

**(Consolidated statement of comprehensive income)**

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Profit	4,244	4,970
Other comprehensive income		
Valuation difference on available-for-sale securities	191	168
Deferred gains or losses on hedges	66	913
Foreign currency translation adjustment	1	2,501
Remeasurements of defined benefit plans, net of tax	33	(3)
Total other comprehensive income	293	3,580
Comprehensive income	4,537	8,551
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,518	8,531
Comprehensive income attributable to non-controlling interests	18	19

### (3) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
<b>Cash flows from operating activities</b>		
Profit before income taxes	6,043	7,422
Depreciation	4,001	3,388
Impairment loss	16	99
Amortization of goodwill	719	714
Gain on reversal of share acquisition rights	(8)	(16)
Loss on sales of investments in capital	–	(165)
Increase (decrease) in allowance for doubtful accounts	408	(40)
Increase (decrease) in provision	(110)	(165)
Increase (decrease) in net defined benefit liability	(281)	(23)
Interest and dividend income	(107)	(112)
Interest expenses	280	181
Foreign exchange losses (gains)	(334)	(54)
Loss (gain) on sales of property, plant and equipment	(17)	(3)
Decrease (increase) in notes and accounts receivable - trade	(9,070)	(5,451)
Decrease (increase) in inventories	(3,391)	(2,061)
Decrease (increase) in prepaid expenses	(338)	(725)
Increase (decrease) in notes and accounts payable - trade	3,249	3,816
Increase (decrease) in accounts payable - other	(642)	319
Increase (decrease) in accrued expenses	(489)	(1,016)
Other, net	(830)	(488)
Subtotal	(901)	5,618
Interest and dividend income received	106	111
Interest expenses paid	(279)	(182)
Income taxes paid	(1,782)	(1,539)
Net cash provided by (used in) operating activities	(2,857)	4,008
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,416)	(1,960)
Purchase of intangible assets	(569)	(660)
Proceeds from sales of investments in capital	–	165
Other, net	(58)	(38)
Net cash provided by (used in) investing activities	(2,045)	(2,494)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	453	609
Repayments of long-term loans payable	(14,085)	(1,531)
Cash dividends paid	(465)	(658)
Repayments of finance lease obligations	(1,505)	(1,606)
Proceeds from disposal of treasury shares	594	526
Proceeds from sales and leasebacks	905	511
Other, net	(4)	(1)
Net cash provided by (used in) financing activities	(14,108)	(2,149)
Effect of exchange rate change on cash and cash equivalents	75	433
Net increase (decrease) in cash and cash equivalents	(18,935)	(202)
Cash and cash equivalents at beginning of period	58,530	46,206
Cash and cash equivalents at end of period	39,594	46,003

**(4) Notes Regarding Consolidated Financial Statements**

(Notes regarding assumption of going concern)

Nothing to note.

(Notes on significant changes in the amount of shareholders' equity)

Nothing to note.

(Application of specific accounting for preparing quarterly consolidated financial statements)

*Tax expense calculation*

Tax expenses on profit before income taxes for the six months under review are calculated by multiplying profit before income taxes for the six months under review by the reasonably estimated effective tax rate for the fiscal year including the second quarter under review after applying tax effect accounting.

## Segment information

### I. First six months of the fiscal year ended March 31, 2018 (April 1, 2017 to September 30, 2017)

#### 1. Information regarding net sales and profit or loss by reportable segment

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Total
Net sales						
External customers	65,514	12,236	3,700	1,154	5,368	87,975
Inter-segment sales and transfers	8,285	37	4	–	25,518	33,845
Total	73,799	12,273	3,704	1,154	30,887	121,820
Segment profit (loss)	6,642	132	(45)	25	806	7,560

#### 2. Differences between the total amount of profit or loss in reportable segments and the amount recorded on the quarterly consolidated statement of income and details thereof (Reconciliation)

(Millions of yen)

Profit	Amount
Reportable segments total	7,560
Inter-segment eliminations	378
Corporate expenses (Note)	(1,367)
Operating profit on the quarterly consolidated statement of income	6,572

(Note) Corporate expenses primarily comprise selling, general and administrative expenses not allocable to reportable segments.

#### 3. Regional information

(Millions of yen)

	Japan	North America		Other	Total
			U.S.		
Net sales	53,407	17,266	16,161	17,301	87,975

(Note) Net sales are categorized into a country or region based on the customer's location.

## II. First six months of the fiscal year ending March 31, 2019 (April 1, 2018 to September 30, 2018)

### 1. Information regarding net sales and profit or loss by reportable segment

(Millions of yen)

	Japan	Americas	Europe	Oceania	Asia (excl. Japan)	Total
Net sales						
External customers	68,764	9,685	2,838	920	6,917	89,125
Inter-segment sales and transfers	5,852	50	19	37	22,792	28,751
Total	74,616	9,735	2,857	957	29,709	117,877
Segment profit (loss)	8,119	(31)	(321)	25	523	8,316

### 2. Differences between the total amount of profit or loss in reportable segments and the amount recorded on the quarterly consolidated statement of income and details thereof (Reconciliation)

(Millions of yen)

Profit	Amount
Reportable segments total	8,316
Inter-segment eliminations	183
Corporate expenses (Note)	(1,427)
Operating profit on the quarterly consolidated statement of income	7,072

(Note) Corporate expenses primarily comprise selling, general and administrative expenses not allocable to reportable segments.

### 3. Regional information

(Millions of yen)

	Japan	North America		Other	Total
			U.S.		
Net sales	56,161	16,794	15,542	16,168	89,125

(Note) Net sales are categorized into a country or region based on the customer's location.