

## Translation

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February 12, 2019

# CONSOLIDATED FINANCIAL RESULTS for the First Nine 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: February 13, 2019  
Scheduled date to commence dividend payments: –  
Supplementary material on quarterly financial results: No  
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 nine months of the fiscal year ending March 31, 2019 (From April 1, 2018 to December 31, 2018)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended								
December 31, 2018	141,636	0.4	15,101	10.1	15,022	11.3	10,388	6.1
December 31, 2017	141,077	7.1	13,714	33.4	13,498	28.0	9,789	24.5

Note: Comprehensive income  
Nine months ended December 31, 2018: 12,748 million yen [ 24.7%]  
Nine months ended December 31, 2017: 10,221 million yen [(13.3)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	yen	yen
December 31, 2018	109.34	109.05
December 31, 2017	104.29	103.03

### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	yen
December 31, 2018	148,844	68,365	45.5	711.72
March 31, 2018	139,456	56,322	40.0	591.00

Reference: Equity  
As of December 31, 2018: 67,773 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)				17.00	24.00

Note: Revisions to the cash dividend forecasts most recently announced: Yes  
 Regarding the revision of the dividend forecast, please refer to “Notice Concerning Revisions of Dividend Forecasts (Commemorative Dividend to Celebrate the 95th Anniversary of the Founding)” which was announced today, on February 12, 2019.

## 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 nine 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 December 31, 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 December 31, 2018	1,066,054 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)

Nine months ended December 31, 2018	95,008,453 shares
Nine months ended December 31, 2017	93,862,909 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 Nine Months of the Fiscal Year Ending March 31, 2019)

- Net sales were ¥141,636 million (up 0.4% year on year), which posted year-on-year growth. 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 ¥15,101 million (up 10.1% year on year). This was attributable to the growth in gross profit mainly due to an increase in net sales. Ordinary profit was ¥15,022 million (up 11.3% year on year). This was attributable to the growth in operating profit. Profit attributable to owners of parent was ¥10,388 million (up 6.1% year on year). The growth was driven by the increase in ordinary profit.
- In the Japanese market, the long-standing PLARAIL brand continued to see strong sales of products related to SHINKALION, a TV animation series. In addition, in the LICCA doll brand, dolls and dollhouse products both 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!, which was launched last summer, has been well received and has expanded into a series product, with cumulative domestic shipments hitting 2 million units in Japan.
- In the TOMY International Group, agricultural machinery toys sold briskly, and we promoted 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 nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change	Rate of change (%)
Net sales		141,077	141,636	558	0.4
	Japan	116,827	119,471	2,644	2.3
	Americas	18,959	14,246	(4,713)	(24.9)
	Europe	6,138	4,467	(1,671)	(27.2)
	Oceania	1,801	1,526	(275)	(15.3)
	Asia (excl. Japan)	44,079	44,669	590	1.3
	Eliminations and corporate	(46,728)	(42,744)	3,984	–
Operating profit/(loss)		13,714	15,101	1,387	10.1
	Japan	14,158	16,597	2,439	17.2
	Americas	62	(94)	(157)	–
	Europe	(24)	(511)	(487)	–
	Oceania	39	32	(7)	(19.7)
	Asia (excl. Japan)	986	1,011	25	2.6
	Eliminations and corporate	(1,507)	(1,932)	(424)	–

## Japan

(Millions of yen)

	First nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change
Net sales	116,827	119,471	2,644
Operating profit	14,158	16,597	2,439

Net sales in Japan for the first nine months of the fiscal year were ¥119,471 million (up 2.3% year on year), while operating profit was ¥16,597 million (up 17.2% year on year).

In the long-standing PLARAIL range, products related to SHINKALION, a TV animation series, continued to sell briskly. In addition, in October 2018 it won the Good Design Long Life Design Award, for designs that provide abundant support for lifestyles both in the past and into the future, being standard products with staying power. Meanwhile, in the LICCA doll brand, dolls for those who enjoy playing at hair arranging, and dollhouse products with an “ice cream store” theme sold well, with the brand remaining popular in the current year following its 50th anniversary events. In the TOMICA brand, “TOMICA 4D” products, which have a realistic engine sound and vibrate while idling, attracted attention.

Furthermore, the next-generation spinning-top battle toy BEYBLADE BURST gained popularity overseas, with its world championship held in France in November, and its exports from Japan grew significantly. 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. Moreover, we took proactive steps to develop the real moving kit toy ZOIDS WILD, which has a dinosaur and animal theme, commencing sales of related products in June, and beginning broadcasting in July.

In products for girls, the photogenic surprise doll L.O.L. SURPRISE!, was made into a more substantial series product after its launch in July, and has become a hit product recording more than 2 million cumulative shipments in Japan. In addition, the Sumikkogurashi characters became even more popular, and have been well received primarily among elementary school girls. The second TV live action series of Magical×Heroine MagimajoPures!, aimed at girls, has seen a rise in character recognition as a result of broader television broadcasting, and related products recorded strong sales.

THE GAME OF LIFE, which celebrated its 50th anniversary last year, attracted significant media attention for the grid layout that expresses its unique take on modern times, as well as for the 50th anniversary events. At T-ARTS Company, Ltd., the amusement machine Pokémon Ga-Olé continued to be well received and shipments of OEM products significantly expanded.

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

## Americas

(Millions of yen)

	First nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change
Net sales	18,959	14,246	(4,713)
Operating profit/(loss)	62	(94)	(157)

Net sales in the Americas were ¥14,246 million (down 24.9% year on year), while operating loss was ¥94 million, compared with an operating profit of ¥62 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, in overseas markets such as the United States, Canada and Mexico.

## Europe

(Millions of yen)

	First nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change
Net sales	6,138	4,467	(1,671)
Operating loss	(24)	(511)	(487)

Net sales in Europe were ¥4,467 million (down 27.2% year on year), while operating loss was ¥511 million, compared with an operating loss of ¥24 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 and baby products recorded robust sales. In addition, we promoted development of the Printoss (overseas product name: KiiPix) in eight countries, including the UK, France and Germany.

## Oceania

(Millions of yen)

	First nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change
Net sales	1,801	1,526	(275)
Operating profit	39	32	(7)

Net sales in Oceania were ¥1,526 million (down 15.3% year on year), while operating profit was ¥32 million (down 19.7% year on year). These results reflected a decrease in sales of character-related toys, despite strong sales of agricultural machinery toys as well as the development of Printoss (overseas product name: KiiPix).

## Asia (excl. Japan)

(Millions of yen)

	First nine months of the fiscal year ended March 31, 2018	First nine months of the fiscal year ending March 31, 2019	Change
Net sales	44,079	44,669	590
Operating profit	986	1,011	25

Net sales in Asia (excl. Japan) were ¥44,669 million (up 1.3% year on year), while operating profit was ¥1,011 million (up 2.6% year on year). Although Manufacturing subsidiary TOMY (Hong Kong) Ltd. saw a decline in shipments to Europe and North America, net sales and operating profit increased. The next-generation spinning-top battle toy BEYBLADE BURST animated TV series continues to be broadcasted in South Korea, Hong Kong, Taiwan, and other countries and regions. In September we launched new limited-edition products specific to Asia, in addition to which we implemented marketing initiatives, such as carrying out collaborations with food manufacturers, posting strong sales as a result. With regard to the TOMICA brand, in October we launched warm-up events in Taiwan, Hong Kong and Singapore for the TOMICA 4D products, which have a realistic engine sound and vibrate while idling, in addition to exhibiting at motor shows in South Korea during November, in order to further strengthen the brand. As for the PLARAIL brand, we began sales of THOMAS & FRIENDS-related products in South Korea, which led to an increase in sales. 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 last 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. In addition, broadcasting of a ZOIDS WILD TV animation series began in South Korea in October, in Hong Kong and Thailand in November, and in Taiwan in December.

## (2) Overview of Financial Position

### Assets, Liabilities and Net Assets

#### <Assets>

At the end of the third quarter of the fiscal year ending March 31, 2019, current assets stood at ¥97,962 million, up ¥9,931 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, despite a decrease in cash and deposits.

Non-current assets stood at ¥50,879 million, down ¥532 million from the end of the previous fiscal year. This is mainly attributable to decreases in intangible assets and investments and other assets.

#### <Liabilities>

At the end of the third quarter, current liabilities stood at ¥71,398 million, up ¥18,060 million from the end of the previous fiscal year. This is mainly attributable to increases in notes and accounts payable - trade, current portion of long-term loans payable, and income taxes payable.

Non-current liabilities stood at ¥9,079 million, down ¥20,716 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 third quarter, total net assets were ¥68,365 million, up ¥12,043 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 third quarter of the fiscal year ending March 31, 2019 was ¥42,865 million, a decrease of ¥3,340 million compared with the end of the previous fiscal year ended March 31, 2018.

Net cash provided by operating activities was ¥8,052 million, compared with ¥2,934 million provided by the same period a year earlier. The main factors are an increase in notes and accounts receivable - trade of ¥10,058 million and income taxes paid of ¥2,762 million, despite profit before income taxes of ¥15,237 million and depreciation of ¥5,144 million.

Net cash used in investing activities was ¥3,322 million, compared with ¥3,295 million used in the same period a year earlier. The main factors are purchase of property, plant and equipment of ¥2,516 million and purchase of intangible assets of ¥976 million.

Net cash used in financing activities was ¥8,246 million, compared with ¥16,943 million used in the same period a year earlier. The main factors are repayments of long-term loans payable of ¥6,875 million and repayments of finance lease obligations of ¥2,447 million, despite proceeds from sales and leasebacks of ¥1,229 million and net increase in short-term loans payable of ¥600 million.

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

No changes have been made to the earnings forecasts that were 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 December 31, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	46,302	42,965
Notes and accounts receivable - trade	23,582	33,741
Merchandise and finished goods	12,888	14,144
Work in process	393	529
Raw materials and supplies	1,045	996
Other	4,037	5,803
Allowance for doubtful accounts	(219)	(219)
Total current assets	88,030	97,962
Non-current assets		
Property, plant and equipment		
Buildings and structures	12,748	12,801
Accumulated depreciation	(7,919)	(8,143)
Accumulated impairment loss	(408)	(415)
Buildings and structures, net	4,420	4,243
Machinery, equipment and vehicles	2,513	2,507
Accumulated depreciation	(1,770)	(1,815)
Accumulated impairment loss	(17)	(17)
Machinery, equipment and vehicles, net	726	674
Tools, furniture and fixtures	22,926	22,720
Accumulated depreciation	(20,727)	(20,661)
Accumulated impairment loss	(589)	(560)
Tools, furniture and fixtures, net	1,609	1,497
Land	3,991	3,956
Leased assets	7,174	8,648
Accumulated depreciation	(3,313)	(4,282)
Accumulated impairment loss	(0)	(0)
Leased assets, net	3,860	4,365
Construction in progress	661	375
Total property, plant and equipment	15,269	15,112
Intangible assets		
Goodwill	18,006	17,735
Other	10,663	10,704
Total intangible assets	28,670	28,439
Investments and other assets		
Investment securities	3,054	3,003
Deferred tax assets	2,147	1,954
Other	2,738	2,734
Allowance for doubtful accounts	(468)	(364)
Total investments and other assets	7,472	7,327
Total non-current assets	51,412	50,879
Deferred assets		
Bond issuance cost	13	2
Total deferred assets	13	2
Total assets	139,456	148,844



(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	9,976	11,689
Short-term loans payable	7,631	7,973
Current portion of bonds	10,000	10,000
Current portion of long-term loans payable	3,062	17,285
Lease obligations	2,642	3,024
Accounts payable - other	8,051	7,613
Accrued expenses	8,220	8,250
Income taxes payable	1,726	3,856
Provision	736	594
Other	1,288	1,111
<b>Total current liabilities</b>	<b>53,338</b>	<b>71,398</b>
Non-current liabilities		
Long-term loans payable	22,098	1,000
Lease obligations	1,217	1,626
Deferred tax liabilities	1,078	1,102
Deferred tax liabilities for land revaluation	472	472
Provision	497	504
Net defined benefit liability	2,693	2,594
Other	1,737	1,779
<b>Total non-current liabilities</b>	<b>29,795</b>	<b>9,079</b>
<b>Total liabilities</b>	<b>83,134</b>	<b>80,478</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	3,459	3,459
Capital surplus	9,095	9,150
Retained earnings	35,881	44,904
Treasury shares	(1,271)	(696)
<b>Total shareholders' equity</b>	<b>47,165</b>	<b>56,818</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,083	1,019
Deferred gains or losses on hedges	(140)	380
Revaluation reserve for land	585	624
Foreign currency translation adjustment	7,727	9,572
Remeasurements of defined benefit plans	(664)	(642)
<b>Total accumulated other comprehensive income</b>	<b>8,591</b>	<b>10,954</b>
Share acquisition rights	175	178
Non-controlling interests	389	414
<b>Total net assets</b>	<b>56,322</b>	<b>68,365</b>
<b>Total liabilities and net assets</b>	<b>139,456</b>	<b>148,844</b>

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

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales	141,077	141,636
Cost of sales	82,785	82,099
Gross profit	58,291	59,536
Selling, general and administrative expenses	44,577	44,435
Operating profit	13,714	15,101
Non-operating income		
Interest and dividend income	150	174
Foreign exchange gains	63	–
Rent income	115	112
Other	97	129
Total non-operating income	427	416
Non-operating expenses		
Interest expenses	411	283
Foreign exchange losses	–	29
Other	230	182
Total non-operating expenses	642	495
Ordinary profit	13,498	15,022
Extraordinary income		
Gain on sales of non-current assets	20	3
Gain on sales of investment securities	–	29
Reversal of allowance for doubtful accounts	–	121
Gain on reversal of share acquisition rights	8	16
Gain on sales of investments in capital	207	165
Other	–	2
Total extraordinary income	235	338
Extraordinary losses		
Impairment loss	126	108
Allowance for recall	336	–
Loss on business withdrawal	245	–
Other	45	14
Total extraordinary losses	753	122
Profit before income taxes	12,980	15,237
Income taxes	3,160	4,813
Profit	9,820	10,424
Profit attributable to non-controlling interests	31	35
Profit attributable to owners of parent	9,789	10,388

**(Consolidated statement of comprehensive income)**

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	9,820	10,424
Other comprehensive income		
Valuation difference on available-for-sale securities	383	(63)
Deferred gains or losses on hedges	(130)	520
Foreign currency translation adjustment	97	1,845
Remeasurements of defined benefit plans, net of tax	50	21
Total other comprehensive income	401	2,324
Comprehensive income	10,221	12,748
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,189	12,712
Comprehensive income attributable to non-controlling interests	31	35

### (3) Consolidated Statement of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Cash flows from operating activities		
Profit before income taxes	12,980	15,237
Depreciation	6,176	5,144
Impairment loss	126	108
Amortization of goodwill	1,085	1,079
Gain on reversal of share acquisition rights	(8)	(16)
Loss on sales of investments in capital	(207)	(165)
Increase (decrease) in allowance for doubtful accounts	133	(121)
Increase (decrease) in provision	291	(142)
Increase (decrease) in net defined benefit liability	(254)	(45)
Interest and dividend income	(150)	(174)
Interest expenses	411	283
Foreign exchange losses (gains)	(319)	83
Loss (gain) on sales of property, plant and equipment	(20)	(3)
Loss (gain) on sales of investment securities	–	(29)
Decrease (increase) in notes and accounts receivable - trade	(14,872)	(10,058)
Decrease (increase) in inventories	(1,627)	(1,253)
Decrease (increase) in prepaid expenses	(19)	(933)
Increase (decrease) in notes and accounts payable - trade	2,413	1,546
Increase (decrease) in accounts payable - other	(382)	315
Increase (decrease) in accrued expenses	387	(11)
Other, net	(86)	71
Subtotal	6,058	10,916
Interest and dividend income received	146	172
Interest expenses paid	(402)	(272)
Income taxes paid	(2,869)	(2,762)
Net cash provided by (used in) operating activities	2,934	8,052
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,719)	(2,516)
Purchase of intangible assets	(912)	(976)
Proceeds from sales of investments in capital	207	165
Other, net	128	4
Net cash provided by (used in) investing activities	(3,295)	(3,322)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	73	600
Repayments of long-term loans payable	(15,201)	(6,875)
Cash dividends paid	(1,117)	(1,306)
Repayments of finance lease obligations	(2,269)	(2,447)
Proceeds from disposal of treasury shares	674	558
Proceeds from sales and leasebacks	905	1,229
Other, net	(7)	(4)
Net cash provided by (used in) financing activities	(16,943)	(8,246)
Effect of exchange rate change on cash and cash equivalents	154	175
Net increase (decrease) in cash and cash equivalents	(17,149)	(3,340)
Cash and cash equivalents at beginning of period	58,530	46,206
Cash and cash equivalents at end of period	41,381	42,865

**(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 nine months under review are calculated by multiplying profit before income taxes for the nine months under review by the reasonably estimated effective tax rate for the fiscal year including the nine quarter under review after applying tax effect accounting.

## Segment information

### I. First nine months of the fiscal year ended March 31, 2018 (April 1, 2017 to December 31, 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	105,307	18,900	6,121	1,798	8,950	141,077
Inter-segment sales and transfers	11,520	58	17	3	35,128	46,728
Total	116,827	18,959	6,138	1,801	44,079	187,806
Segment profit (loss)	14,158	62	(24)	39	986	15,222

#### 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	15,222
Inter-segment eliminations	676
Corporate expenses (Note)	(2,184)
Operating profit on the quarterly consolidated statement of income	13,714

(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	90,840	26,200	24,526	24,036	141,077

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

## II. First nine months of the fiscal year ending March 31, 2019 (April 1, 2018 to December 31, 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	111,181	14,173	4,448	1,488	10,344	141,636
Inter-segment sales and transfers	8,290	72	18	37	34,325	42,744
Total	119,471	14,246	4,467	1,526	44,669	184,380
Segment profit (loss)	16,597	(94)	(511)	32	1,011	17,034

### 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	17,034
Inter-segment eliminations	278
Corporate expenses (Note)	(2,211)
Operating profit on the quarterly consolidated statement of income	15,101

(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	93,156	24,445	22,630	24,034	141,636

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