

**Consolidated Financial Results**  
**for the Six Months Ended September 30, 2018**  
**<under J-GAAP>**

Company name: **Toyo Suisan Kaisha, Ltd.**  
Listing: First Section of the Tokyo Stock Exchange  
Securities code: 2875  
URL: <https://www.maruchan.co.jp/>  
Representative: Masanari Imamura, Representative Director and President  
Contact: Chiyoko Matsumoto, General Manager of Accounting Department  
TEL: +81-3-3458-5246 (from overseas)

Scheduled date of filing of quarterly securities report: November 13, 2018  
Scheduled date of start of dividend payment: December 5, 2018  
Preparation of quarterly results presentation materials: Yes  
Holding of quarterly results briefing meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen have been omitted.)

**1. Consolidated Operating Results for the First Six Months of FY2019**  
**(from April 1, 2018 to September 30, 2018)**

**(1) Consolidated Operating Results** (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	%
Sep. 30, 2018	196,451	3.4	11,572	(9.5)	12,665	(8.9)	8,529	(3.0)
Sep. 30, 2017	189,974	4.3	12,792	(4.9)	13,910	(2.1)	8,789	(10.6)

Note: Comprehensive income Six months ended September 30, 2018: 16,169 million yen [52.8%]  
Six months ended September 30, 2017: 10,581 million yen [836.0 %]

Six months ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Sep. 30, 2018	83.52	—
Sep. 30, 2017	86.06	—

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Sep. 30, 2018	385,620	303,906	76.0
As of Mar. 31, 2018	371,842	290,881	75.3

Reference: Equity

As of September 30, 2018: 292,876 million yen

As of March 31, 2018: 279,907 million yen

Note: Toyo Suisan Kaisha, Ltd. (the "Company") and its consolidated subsidiaries have applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter of the fiscal year ending March 31, 2019. The results for the fiscal year ended March 31, 2018 are those after retrospective application.

## 2. Dividends

	Full Year Dividends				
	1 <sup>st</sup> quarter-end	2 <sup>nd</sup> quarter-end	3 <sup>rd</sup> quarter-end	Year-end	For the year
	Yen	Yen	Yen	Yen	Yen
FY2018	–	30.00	–	30.00	60.00
FY2019	–	30.00			
FY2019 (Forecast)			–	30.00	60.00

Note: Revisions to the dividends forecasts most recently announced: None

## 3. Consolidated Results Forecasts for FY2019 (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
Full year	405,000	4.2	25,500	(4.3)	27,500	(3.8)	19,100	3.6	187.02

Note: Revisions to the results forecasts most recently announced: None

### \* Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Application of specific accounting procedures for preparation of the quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
  - a. Changes in accounting policies due to amendments to accounting standards and other regulations: None
  - b. Changes in accounting policies due to other reasons: None
  - c. Changes in accounting estimates: None
  - d. Restatement: None

- (4) Number of shares issued (common stock)

- a. Number of shares issued at end of period (including treasury shares)

As of September 30, 2018	110,881,044 shares
As of March 31, 2018	110,881,044 shares

- b. Number of treasury shares at end of period

As of September 30, 2018	8,751,984 shares
As of March 31, 2018	8,751,898 shares

- c. Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2018	102,129,126 shares
Six months ended September 30, 2017	102,129,392 shares

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

\* Explanation related to the appropriate use of the results forecasts and other items warranting special mention

(Caution regarding forward-looking statements)

Forward-looking statements in this document, including the results forecasts, etc., are based on the information available as of the date of the release of this document and the preconditions that the Company deemed to be reasonable; they are not meant to be a commitment by the Company, and a variety of factors in the future may cause actual results to differ materially from these forecasts. Please refer to Section: “(3) Explanation of forward-looking information, including consolidated results forecasts” of “1. Qualitative Information on Quarterly Consolidated Financial Results for the Six Months Ended September 30, 2018” on page 3 of the attachments for the preconditions for the results forecasts and items to exercise caution in the use of these results forecasts.

## Index of Attachments

<b>1. Qualitative Information on Quarterly Consolidated Financial Results for the Six Months Ended September 30, 2018</b> .....	2
(1) Explanation of the consolidated operating results.....	2
(2) Explanation of the consolidated financial position .....	3
(3) Explanation of forward-looking information, including consolidated results forecasts .....	3
<b>2. Quarterly Consolidated Financial Statements</b> .....	4
(1) Quarterly consolidated balance sheets .....	4
(2) Quarterly consolidated statements of income and comprehensive income.....	6
Quarterly consolidated statements of income (Cumulative).....	6
Quarterly consolidated statements of comprehensive income (Cumulative).....	7
(3) Quarterly consolidated statements of cash flows .....	8
(4) Notes to quarterly consolidated financial statements .....	10
(Notes on going concern assumptions) .....	10
(Notes in the event of substantial changes in shareholders' equity).....	10
(Additional information).....	10
(Segment information) .....	10

## 1. Qualitative Information on Quarterly Consolidated Financial Results for the Six Months Ended September 30, 2018

### (1) Explanation of the consolidated operating results

During the six months ended September 30, 2018, although the Japanese economy continued to recover at a gradual pace, on the back of continuing results from various economic measures and improvements in the employment and income environments, the economy continued to be exposed to downside risks from the impact of trade problems on the global economy, uncertainties in the overseas economies and from fluctuation in the financial and capital markets. In addition, the impact on the economy of a succession of natural disasters must also be kept in mind.

Under these circumstances, the Toyo Suisan Group (hereafter, the “Group”), has remained committed to its mission “to contribute to society through foods” and “to provide safe and secure foods and services to customers” under the corporate slogan of “Smiles for All.” The Group continued to implement further cost reductions and promoted aggressive sales activities in its efforts to face an increasingly competitive sales environment.

As a result, net sales were ¥196,451 million (up 3.4% year on year), operating profit was ¥11,572 million (down 9.5% year on year), ordinary profit was ¥12,665 million (down 8.9% year on year), and profit attributable to owners of parent was ¥8,529 million (down 3.0% year on year) for the period under review.

The foreign exchange rate for the period was ¥113.58 to the U.S. dollar (¥112.74 to the U.S. dollar for the corresponding period of the previous fiscal year).

The operating results by segment are as follows.

In the Seafood Segment, although the Group focused on selling products at reasonable prices amid continued rises in the price of fish on account of diminishing fish catches, its sales volume diminished, particularly for salmon and trout, fish egg, and tuna products. As a result, segment sales were ¥15,353 million (down 4.2% year on year), while segment profit was ¥159 million (down 46.5% year on year).

As for the Overseas Instant Noodles Segment, sales increased in the U.S., as implemented “back-to-school” sales, in-store display promotions on a mass scale and other strategies provided strong sales to major trading partners. In Mexico, sales increased thanks to aggressive sales activities of bag-type noodles and a favorable level of orders of cup-type noodles, our signature products, from wholesaler distribution routes. As a result, segment sales were ¥40,771 million (up 9.9% year on year). Segment profit was ¥4,528 million (down 18.1% year on year) due to the increases in raw materials costs, personnel expenses, and distribution costs.

In the Domestic Instant Noodles Segment, the Group increased sales in cup-type noodles through efforts to expand sales of its Japanese-style series such as *Akai Kitsune Udon* and *Midori no Tanuki Ten Soba*, and its other varieties such as *Gotsu Mori* and *Menzukuri*, and from strong sales of *MARUCHAN QTTA* series, which added new items to its lineup. In bag-type noodles, the Group conducted a renewal of the *Maruchan Seimen* series in September, and worked to expand sales. As a result, segment sales were ¥57,135 million (up 1.2% year on year). Segment profit was ¥2,771 million (up 27.9% year on year), mainly due to an increase in sales and the reduction of advertising expenses.

In the Frozen and Refrigerated Foods Segment, sales increased in fresh noodles thanks to robust sales of our signature product *Maruchan Yakisoba (Three-Meal Package)* series, and the introduction of *Tsuruyaka* series, new products whose preparation simply requires softening by water, and *Kinu no Hito Sara*, a two-meal-package Hiyashi Chuka (cold noodles). Among frozen and chilled foods, sales were strong for collaboration products, new products such as those offered for a limited time only, and a household *Rice Burger*. As a result, segment sales were ¥36,444 million (up 1.7% year on year). Segment profit was ¥2,577 million (down 10.5% year on year), due to an increase in raw materials costs and other expenses.

In the Processed Foods Segment, the packaged cooked rice and freeze-dried products markets continued to expand through increased opportunities for consumption accompanying changes in lifestyles. Amid this background our new factories began operations, leading to increases in production capacity, and allowing us to execute aggressive sales promotion activities and increase sales. As a result, segment sales were ¥10,826 million (up 4.2% year on year). The segment reported a segment loss of ¥472 million (compared with a segment profit of ¥124 million in the corresponding period of the previous fiscal year) owing to the increases mainly in depreciation associated with the start of operations of the new factories.

In the Cold-Storage Segment, the Heiwajima Cold-Storage Facility that was opened in March 2018 saw a satisfactory start to operations. In addition, our aggressive sales activities resulted in robust sales to both new and existing customers from trade centered on frozen food and trade in incidental businesses such as customs

clearance and transportation. As a result, segment sales were ¥9,315 million (up 3.0% year on year), while segment profit was ¥1,082 million (down 8.9% year on year), due to increases mainly in personnel expenses.

The Other Business Segment consists of mainly the packed lunch/deli food business. Segment sales were ¥26,603 million (up 5.9% year on year), while segment profit was ¥1,233 million (up 24.7% year on year).

## (2) Explanation of the consolidated financial position

At the end of the second quarter of the fiscal year ending March 31, 2019, total assets increased by ¥13,777 million from the previous fiscal year-end to ¥385,620 million, and net assets increased by ¥13,024 million to ¥303,906 million. The main factors contributing to these results are as follows:

The main contributing factors for assets were increases in cash and deposits, buildings and structures, and machinery, equipment and vehicles, in spite of a decrease in securities. The main contributing factor for liabilities was an increase in deferred tax liabilities. The main contributing factors for net assets were increases in retained earnings and foreign currency translation adjustment.

As a result of these factors, the equity ratio was 76.0%.

The Company and its consolidated subsidiaries have applied the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter of the fiscal year ending March 31, 2019. In its treatment of the fiscal year ended March 31, 2018, the Company and its consolidated subsidiaries retrospectively apply the aforementioned accounting changes to perform comparative analysis.

### (Cash flows)

Cash and cash equivalents (hereafter, referred to as “cash”) as of the end of the second quarter of the fiscal year ending March 31, 2019 decreased by ¥1,913 million (7.5%) from the end of the previous fiscal year to ¥23,496 million.

The respective cash flow positions during the six months ended September 30, 2018 are as follows.

Net cash provided by operating activities increased by ¥2,528 million (21.5%) compared with the corresponding period of the previous fiscal year to ¥14,267 million. The main contributing factor was a decrease in notes and accounts receivable - trade, despite a decrease in accrued expenses.

Net cash used in investing activities increased by ¥8,603 million (176.9%) compared with the corresponding period of the previous fiscal year to ¥13,467 million. The main contributing factors were a decrease in proceeds from withdrawal of time deposits, and increases in payments into time deposits and purchase of property, plant and equipment.

Net cash used in financing activities decreased by ¥9 million (0.3%) compared with the corresponding period of the previous fiscal year to ¥3,229 million. The main contributing factor was a decrease in short-term loans payable.

## (3) Explanation of forward-looking information, including consolidated results forecasts

The Company has not changed its consolidated results forecasts for the fiscal year ending March 31, 2019, as announced on May 11, 2018, because the results for the first six months were within its expectations. Should any changes occur in the future, the relevant information will be duly disclosed.

## 2. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of end FY2018 (March 31, 2018)	As of end 2Q FY2019 (September 30, 2018)
<b>Assets</b>		
Current assets		
Cash and deposits	75,770	83,465
Notes and accounts receivable - trade	54,161	54,003
Securities	43,000	37,000
Merchandise and finished goods	18,281	17,782
Work in process	329	384
Raw materials and supplies	5,214	5,877
Other	4,409	4,493
Allowance for doubtful accounts	(402)	(633)
Total current assets	200,763	202,372
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	57,777	63,848
Machinery, equipment and vehicles, net	30,516	35,568
Land	35,345	35,685
Leased assets, net	2,974	2,900
Construction in progress	8,305	7,125
Other, net	1,179	1,384
Total property, plant and equipment	136,098	146,512
Intangible assets		
Other	1,738	1,906
Total intangible assets	1,738	1,906
Investments and other assets		
Investment securities	31,316	32,681
Deferred tax assets	993	1,141
Net defined benefit asset	70	80
Other	1,192	925
Allowance for doubtful accounts	(331)	-
Total investments and other assets	33,241	34,828
Total non-current assets	171,078	183,247
Total assets	371,842	385,620

(Millions of yen)

	As of end FY2018 (March 31, 2018)	As of end 2Q FY2019 (September 30, 2018)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	26,036	25,366
Short-term loans payable	285	316
Lease obligations	229	256
Accrued expenses	21,082	20,586
Income taxes payable	2,614	2,387
Provision for directors' bonuses	66	26
Provision for removal cost of property, plant and equipment	16	–
Other	2,744	3,721
Total current liabilities	53,075	52,662
Non-current liabilities		
Lease obligations	3,766	3,770
Deferred tax liabilities	2,432	3,492
Provision for directors' retirement benefits	279	284
Net defined benefit liability	19,231	19,013
Asset retirement obligations	215	217
Other	1,960	2,273
Total non-current liabilities	27,885	29,051
Total liabilities	80,961	81,713
<b>Net assets</b>		
Shareholders' equity		
Capital stock	18,969	18,969
Capital surplus	22,942	22,942
Retained earnings	240,580	246,046
Treasury shares	(8,227)	(8,227)
Total shareholders' equity	274,265	279,730
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,680	10,893
Deferred gains or losses on hedges	(39)	28
Foreign currency translation adjustment	(1,941)	4,167
Remeasurements of defined benefit plans	(2,057)	(1,943)
Total accumulated other comprehensive income	5,642	13,146
Non-controlling interests	10,974	11,029
Total net assets	290,881	303,906
Total liabilities and net assets	371,842	385,620

(2) Quarterly consolidated statements of income and comprehensive income  
 Quarterly consolidated statements of income (Cumulative)

(Millions of yen)

	2Q FY2018 (from April 1, 2017 to September 30, 2017)	2Q FY2019 (from April 1, 2018 to September 30, 2018)
Net sales	189,974	196,451
Cost of sales	119,737	125,692
Gross profit	70,237	70,759
Selling, general and administrative expenses	57,445	59,187
Operating profit	12,792	11,572
Non-operating income		
Interest income	543	754
Dividend income	253	270
Share of profit of entities accounted for using equity method	52	62
Foreign exchange gains	49	53
Rent income	168	169
Miscellaneous income	393	279
Total non-operating income	1,461	1,588
Non-operating expenses		
Interest expenses	130	127
Cost of lease revenue	31	25
Compensation expenses	86	7
Provision of allowance for doubtful accounts	25	228
Miscellaneous loss	70	107
Total non-operating expenses	343	496
Ordinary profit	13,910	12,665
Extraordinary income		
Gain on sales of non-current assets	16	8
Gain on sales of investment securities	–	232
Subsidy income	–	93
Other	3	60
Total extraordinary income	19	394
Extraordinary losses		
Loss on sales and retirement of non-current assets	546	202
Impairment loss	10	176
Loss on disaster	–	123
Other	6	1
Total extraordinary losses	562	505
Profit before income taxes	13,367	12,555
Income taxes - current	4,320	3,402
Income taxes - deferred	102	339
Total income taxes	4,422	3,742
Profit	8,944	8,812
Profit attributable to non-controlling interests	155	283
Profit attributable to owners of parent	8,789	8,529



Quarterly consolidated statements of comprehensive income (Cumulative)

(Millions of yen)

	2Q FY2018 (from April 1, 2017 to September 30, 2017)	2Q FY2019 (from April 1, 2018 to September 30, 2018)
Profit	8,944	8,812
Other comprehensive income		
Valuation difference on available-for-sale securities	1,041	1,042
Deferred gains or losses on hedges	34	68
Foreign currency translation adjustment	410	6,109
Remeasurements of defined benefit plans, net of tax	147	126
Share of other comprehensive income of entities accounted for using equity method	3	10
Total other comprehensive income	1,636	7,356
Comprehensive income	10,581	16,169
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,249	16,033
Comprehensive income attributable to non- controlling interests	331	135

## (3) Quarterly consolidated statements of cash flows

(Millions of yen)

	2Q FY2018 (from April 1, 2017 to September 30, 2017)	2Q FY2019 (from April 1, 2018 to September 30, 2018)
<b>Cash flows from operating activities</b>		
Profit before income taxes	13,367	12,555
Depreciation	6,081	6,547
Impairment loss	10	176
Share of loss (profit) of entities accounted for using equity method	(52)	(62)
Loss (gain) on sales of investment securities	–	(232)
Increase (decrease) in net defined benefit liability	252	(13)
Increase (decrease) in provision for directors' retirement benefits	52	4
Increase (decrease) in provision for directors' bonuses	(169)	(40)
Increase (decrease) in allowance for doubtful accounts	25	231
Interest and dividend income	(797)	(1,024)
Interest expenses	130	127
Foreign exchange losses (gains)	(49)	(53)
Loss (gain) on sales and retirement of property, plant and equipment	530	193
Decrease (increase) in notes and accounts receivable - trade	(3,261)	380
Decrease (increase) in inventories	(2,100)	5
Increase (decrease) in notes and accounts payable - trade	284	(827)
Increase (decrease) in accrued expenses	846	(653)
Other, net	705	(507)
Subtotal	15,855	16,808
Interest and dividend income received	740	825
Interest expenses paid	(130)	(127)
Income taxes paid	(4,727)	(3,239)
Net cash provided by (used in) operating activities	11,739	14,267
<b>Cash flows from investing activities</b>		
Payments into time deposits	(25,610)	(28,068)
Proceeds from withdrawal of time deposits	29,223	26,190
Purchase of securities	(41,000)	(42,000)
Proceeds from redemption of securities	43,000	44,000
Purchase of property, plant and equipment	(9,899)	(13,538)
Proceeds from sales of property, plant and equipment	31	18
Purchase of intangible assets	(242)	(262)
Purchase of investment securities	(14)	(14)
Proceeds from sales of investment securities	–	342
Payments of loans receivable	(1,207)	(718)
Collection of loans receivable	921	604
Other, net	(65)	(21)
Net cash provided by (used in) investing activities	(4,864)	(13,467)

(Millions of yen)

	2Q FY2018 (from April 1, 2017 to September 30, 2017)	2Q FY2019 (from April 1, 2018 to September 30, 2018)
Cash flows from financing activities		
Increase in short-term loans payable	883	463
Decrease in short-term loans payable	(873)	(432)
Cash dividends paid	(3,058)	(3,058)
Dividends paid to non-controlling interests	(72)	(77)
Other, net	(118)	(125)
Net cash provided by (used in) financing activities	(3,239)	(3,229)
Effect of exchange rate change on cash and cash equivalents	5	517
Net increase (decrease) in cash and cash equivalents	3,640	(1,913)
Cash and cash equivalents at beginning of period	23,228	25,409
Cash and cash equivalents at end of period	26,868	23,496

(4) Notes to quarterly consolidated financial statements

(Notes on going concern assumptions)

Not applicable

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

Not applicable

(Additional information)

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting" and relevant Guidances)

The Company and its consolidated subsidiaries have applied the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28, February 16, 2018) and relevant Guidances effective from the beginning of the first quarter of the fiscal year ending March 31, 2019. Accordingly, deferred tax assets were presented under "Investments and other assets" and deferred tax liabilities were presented under "Non-current liabilities."

(Segment information)

[Segment information]

I. Six months ended September 30, 2017 (from April 1, 2017 to September 30, 2017)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	16,025	37,107	56,441	35,834	10,394	9,045	164,849	25,125	189,974	–	189,974
Intersegment sales or transfers	552	–	–	–	–	474	1,027	131	1,158	(1,158)	–
Total	16,577	37,107	56,441	35,834	10,394	9,520	165,876	25,256	191,133	(1,158)	189,974
Segment profit	298	5,528	2,166	2,881	124	1,188	12,187	989	13,177	(384)	12,792

(Notes) 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The negative ¥384 million in segment profit adjustments includes companywide expenses of negative ¥545 million which have not been allocated to each reportable segment, a ¥15 million adjustment to inventories, and other adjustments of ¥145 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for offset and elimination of knowhow fees from overseas subsidiaries.

3. Segment profit is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment  
Statement omitted due to the immateriality of the amount.

II. Six months ended September 30, 2018 (from April 1, 2018 to September 30, 2018)

1. Information relating to net sales, profit and loss by each reportable segment

(Millions of yen)

	Reportable segment							Other (Note 1)	Total	Adjust- ments (Note 2)	Amount reported on quarterly consoli- dated financial statements (Note 3)
	Seafood Segment	Overseas Instant Noodles Segment	Domestic Instant Noodles Segment	Frozen and Refrigerated Foods Segment	Processed Foods Segment	Cold- Storage Segment	Total				
Net sales											
Net sales to outside customers	15,353	40,771	57,135	36,444	10,826	9,315	169,848	26,603	196,451	–	196,451
Intersegment sales or transfers	509	–	–	–	–	523	1,033	45	1,078	(1,078)	–
<b>Total</b>	<b>15,863</b>	<b>40,771</b>	<b>57,135</b>	<b>36,444</b>	<b>10,826</b>	<b>9,839</b>	<b>170,881</b>	<b>26,649</b>	<b>197,530</b>	<b>(1,078)</b>	<b>196,451</b>
Segment profit (loss)	159	4,528	2,771	2,577	(472)	1,082	10,648	1,233	11,882	(309)	11,572

Notes: 1. The Other Business Segment is one which is not among the reportable segments and refers to a business which is mainly involved in the packed lunch/deli food business.

2. The negative ¥309 million in segment profit or loss adjustments includes companywide expenses of negative ¥557 million which have not been allocated to each reportable segment, a ¥34 million adjustment to inventories, and other adjustments of ¥213 million. Companywide expenses refer mainly to general and administrative expenses which do not belong to any reportable segment. Other adjustments are mainly for offset and elimination of knowhow fees from overseas subsidiaries.

3. Segment profit or loss is adjusted at the operating profit level on the quarterly consolidated financial statements.

2. Information relating to impairment loss on non-current assets or goodwill for each reportable segment  
Statement omitted due to the immateriality of the amount.