Non-consolidated Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2016 <under Japanese GAAP>

July 29, 2015

Company name: PALTAC CORPORATION
(URL: http://www.paltac.co.jp/)
* Paltac Corporation changed its company name to PALTAC CORPORATION as of July 1, 2015
Listing: Tokyo Stock Exchange (Code number: 8283)
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Scheduled date to submit the Quarterly Securities Report: August 12, 2015
Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: No
Holding of quarterly financial results presentation meeting: No

(Figures are rounded down to the nearest million yen)

1. Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to June 30, 2015)

(1) Operating Results (% indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Profit	
Three months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
June 30, 2015	209,958	8.4	3,806	36.0	4,345	34.4	2,879	63.6
June 30, 2014	193,619	–	2,799	–	3,234	–	1,760	–

	Earnings per share	Diluted earnings per share
Three months ended	(¥)	(¥)
June 30, 2015	45.31	–
June 30, 2014	27.70	–

Effective from the first quarter under review, the Company has partially changed its accounting policies and retrospectively applied the change to all financial data for the three months ended June 30, 2014. Therefore, year-on-year changes for the said period are not presented. For more information, please refer to the section "2. Summary Information (Notes) (1) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements" on pages 6 and 7 of the attached material to this quarterly financial results report.

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
June 30, 2015	328,719	146,517	44.6	2,305.63
March 31, 2015	318,186	143,535	45.1	2,258.71

Reference: Equity As of June 30, 2015: ¥146,517 million As of March 31, 2015: ¥143,535 million

Effective from the first quarter under review, the Company has partially changed its accounting policies and retrospectively applied the change to all financial data as of March 31, 2015. For more information, please refer to the section "2. Summary Information (Notes) (1) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements" on pages 6 and 7 of the attached material to this quarterly financial results report.

2. Dividends

	Annual dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended March 31, 2015	–	22.00	–	23.00	45.00
Fiscal year ending March 31, 2016	–				
Fiscal year ending March 31, 2016 (Forecast)		23.00	–	23.00	46.00

Note: Revision to the forecasts most recently announced: No

3. Forecasts of Financial Results for the Fiscal Year Ending March 31, 2016 (From April 1, 2015 to March 31, 2016)

(% indicates year-on-year change)

	Net sales		Operating income		Ordinary income		Profit		Earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥)
Six months	414,100	3.2	6,100	(14.8)	7,000	(12.2)	4,600	(7.3)	72.39
Fiscal year	822,300	3.5	13,000	(8.3)	15,400	(5.7)	10,100	(1.6)	158.94

Note: Revision to the forecasts most recently announced: Yes

Effective from the first quarter under review, the Company has partially changed its accounting policies. and retrospectively applied the change to all financial data for the six months ended September 30, 2014 and for the fiscal year ended March 31, 2015. For more information, please refer to the section "2. Summary Information (Notes) (1) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements" on pages 6 and 7 of the attached material to this quarterly financial results report.

* Notes

(1) Adoption of Accounting Treatments Specific to Preparation of Quarterly Financial Statements: No

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

1) Changes in accounting policies due to revisions to accounting standards, and other regulations: No
2) Changes in accounting policies due to other reasons: Yes
3) Changes in accounting estimates: No
4) Restatements: No

Note: For more information, please refer to the section "2. Summary Information (Notes) (1) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements" on pages 6 and 7 of the attached material to this quarterly financial results report.

(3) Number of Issued Shares (common stock)

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

As of June 30, 2015	63,553,485 shares
As of March 31, 2015	63,553,485 shares

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

As of June 30, 2015	5,858 shares
As of March 31, 2015	5,758 shares

3) Average number of outstanding shares during the period (cumulative from the beginning of the fiscal year)

For the three months ended June 30, 2015	63,547,713 shares
For the three months ended June 30, 2014	63,549,077 shares

* Explanation regarding execution of quarterly review procedures

This quarterly financial results report is not subject to the quarterly review procedures in accordance with the Financial Instruments and Exchange Act of Japan. At the time of disclosure of this quarterly financial results report, the review procedures for the quarterly financial statements in accordance with the Financial Instruments and Exchange Act of Japan have not been completed.

* Information regarding proper use of the forecasts of financial results, and other special instructions

(Cautionary notes to the forward-looking statements)

The forward-looking statements contained in this report, including forecasts of financial results, are based on information currently available and assumptions that management believes to be reasonable. Actual financial and other results may differ substantially due to various factors. Please refer to the section of "(3) Forecasts and Other Projections" on pages 3 to 5 of the attached material to the quarterly financial results report for the suppositions that form the assumptions for the forecasts and cautions concerning the use thereof.

* Information regarding this report (including the attached material)

None of the information in this report constitutes solicitation to purchase or sell the stock of PALTAC CORPORATION. It was not prepared with the intention of providing investment advice about the stock of PALTAC CORPORATION.

Furthermore, this report is an English translation of the original, which was prepared in Japanese.

In the event of any discrepancies between the Japanese original and the English translation, the Japanese original shall prevail.

Attached Material

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1. Qualitative Information for the Three Months Ended June 30, 2015

(1) Operating Results

In the three months ended June 30, 2015, the Japanese economy continued to follow a moderate recovery track, mainly on the back of improvements in corporate earnings and the employment environment, reflecting such positive developments as the effects of various measures taken by the government and the Bank of Japan. Nevertheless, the outlook remained uncertain, partly because of concerns that economic stagnation overseas could have a detrimental effect on the Japanese economy. As an example, the pace of economic growth in China became more moderate.

In the market of cosmetics and daily necessities and the market of over-the-counter (OTC) pharmaceuticals, the market environment followed a trend of improvement, albeit moderately, due to such factors as improved consumer sentiment mainly reflecting an upturn in the income environment and growth in inbound consumption by tourists visiting Japan.

Under these circumstances, PALTAC CORPORATION (the "Company") undertook a variety of efforts, aiming to optimize and streamline the entire supply chain, in accordance with its position as an the only intermediate distributor providing a full lineup of health and beauty products essential for daily life under the corporate identity, "maximizing customer satisfaction and minimizing distribution costs." The Company is working to strengthen its sales systems to support effective product lines and sales activities for retailers, and to strengthen its safe-and-secure, high-quality, low-cost distribution system. Aiming for more than just a system that provides stable supply under normal conditions, the Company is making efforts to stably supply products to retailers, and by extension to our customers, even in an emergency through the "non-stop logistics" system.

For the fiscal year ending March 31, 2016, having achieved its targets under its medium-term management plan a year ahead of schedule in the previous fiscal year, the Company formulated a new medium-term management plan with the vision of "Initiative to be an intermediate distributor essential to society." Under this new medium-term management plan, the Company will focus efforts on enhancing its information system in addition to nurturing and training human resources to handle operations, improve distribution capabilities, and strengthen the effective initiatives it implements through cooperation with retailers and manufacturers. By doing so, the Company will strive to increase corporate value through sustained growth.

Furthermore, one of the Company's largest distribution centers "RDC Kanto," which is located in Shiraoka-shi, Saitama, and was previously under construction, was opened in July 2015, and preparations are underway to start dispatches from the center in August 2015. As part of the efforts it is undertaking to optimize its distribution in the Tohoku area, the Company is expanding the facilities of "RDC Tohoku," which is located in Hanamaki-shi, Iwate, and constructing "FDC Aomori" in Aomori-shi, Aomori and "FDC Hachinohe" in Hachinohe-shi, Aomori, as planned. Preparations are currently underway to start dispatches from these centers in autumn 2015.

As a result of the above, net sales for the three months ended June 30, 2015 were ¥209,958 million (up 8.4% year on year), operating income was ¥3,806 million (up 36.0%), ordinary income was ¥4,345 million (up 34.4%), and profit was ¥2,879 million (up 63.6%).

The Company's reportable segments were previously classified as the "wholesale business" and the "supply chain logistics business." Effective from the first quarter under review, this has been changed to the single segment of the "wholesale business."

This change was made as a result of a review the Company conducted regarding its operating segments as part of restructuring of its business management method to strengthen its wholesale capabilities from the first quarter under review. Following the review, the Company judged that it is more appropriate to unify the "wholesale business" and the "supply chain logistics business" as a single business and carry out allocations of business resources and business evaluations accordingly.

Owing to this change, segment information for the three months ended June 30, 2015, is omitted.

(Notes) 1. RDC (Regional Distribution Center) is a large-scale logistics center.
2. FDC (Front Distribution Center) is a sorting center that supports the RDC.

(2) Financial Position

1) Assets, liabilities and net assets

(Assets)

Total assets as of the end of the first quarter were ¥328,719 million, an increase of ¥10,533 million from the end of the previous fiscal year. This was primarily the result of a decrease in cash and deposits of ¥8,134 million and increases in notes and accounts receivable-trade of ¥10,926 million, merchandise and finished goods of ¥2,732 million and buildings of ¥3,643 million.

(Liabilities)

Total liabilities as of the end of the first quarter were ¥182,201 million, an increase of ¥7,551 million from the end of the previous fiscal year. This was primarily the result of increases in notes and accounts payable-trade of ¥1,355 million, in short-term loans payable of ¥4,000 million, and in long-term loans payable of ¥4,436 million and a decrease in income taxes payable of ¥1,684 million.

(Net assets)

Net assets as of the end of the first quarter were ¥146,517 million, an increase of ¥2,981 million from the end of the previous fiscal year. This was primarily the result of increases in retained earnings of ¥1,417 million and valuation difference on available-for-sale securities of ¥1,565 million.

2) Cash flows

Cash and cash equivalents (“cash”) as of the end of the first quarter were ¥13,373 million, a decrease of ¥8,134 million from the end of the previous fiscal year.

Status of each cash flow during the three months under review and main factors thereof are as follows:

(Cash flow from operating activities)

Net cash used in operating activities was ¥10,211 million (compared with net cash of ¥11,652 million provided by the same period of the previous fiscal year). Main factors were ¥4,342 million of income before income taxes, ¥1,096 million of depreciation and amortization, ¥10,926 million of increase in notes and accounts receivable-trade, ¥2,732 million of increase in inventories and ¥3,217 million of income taxes paid.

(Cash flow from investing activities)

Net cash used in investing activities was ¥4,489 million (compared with net cash of ¥318 million provided by the same period of the previous fiscal year). Main factor was ¥4,661 million of purchase of property, plant and equipment.

(Cash flow from financing activities)

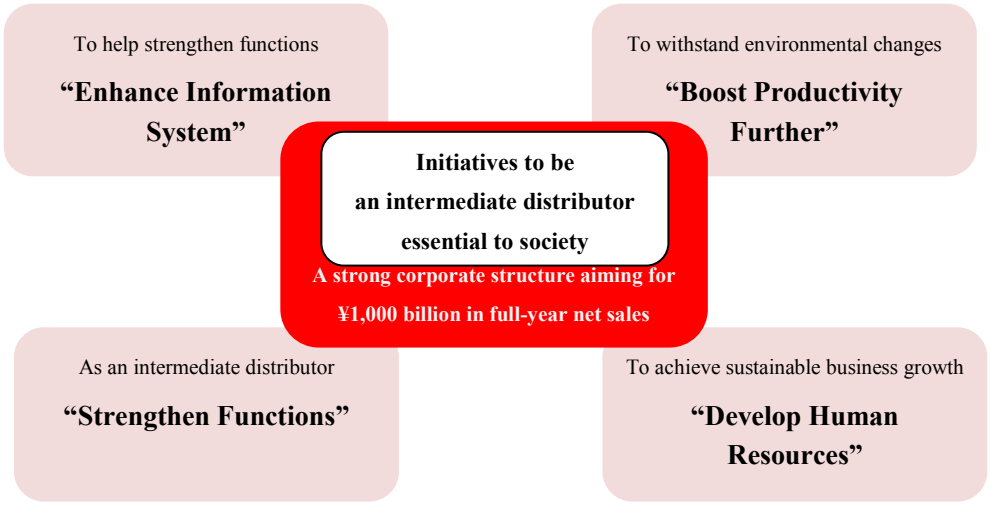
Net cash provided by financing activities was ¥6,567 million (compared with net cash of ¥5,422 million used in the same period of the previous fiscal year). Main factors were ¥4,000 million of net increase in short-term loans payable, ¥6,500 million of proceeds from long-term loans payable, ¥2,462 million of repayments of long term loans payable and ¥1,450 million of cash dividends paid.

(3) Forecasts and Other Projections

The company announced “Notice of Revision of the Financial Result Forecast for the Fiscal Year Ending March 31, 2016” and “Notice of the Medium-term Management Plan for Fiscal 2016 to Fiscal 2018” on July 29, 2015. The summary extracts of these notices are as follows.

1) Summary extract of "Notice of the Medium-term Management Plan for Fiscal 2016 to Fiscal 2018"

a) Strategy



b) Financial Results by Fiscal Year

		Fiscal year ended March 31, 2015 Results	Fiscal year ending March 31, 2018 Targets
Net sales	(Millions of yen)	794,221	880,000
Operating income	(Millions of yen)	14,177	16,500
Ordinary income	(Millions of yen)	16,322	18,500
Profit	(Millions of yen)	10,267	12,000

* Effective from the first quarter under review, the Company has partially changed its accounting policies and retrospectively applied the change to the above data for the fiscal year ended March 31, 2015.

2) Summary extract of "Notice of Revision of the Financial Result Forecast for the Fiscal Year Ending March 31, 2016"

a) For the first six months of the fiscal year ending march 31, 2016

(Millions of yen, except per share data)

	Net sales	Operating income	Ordinary income	Profit	Earnings per share
Previous Forecast (A)	428,000	4,200	7,000	4,600	72.39 yen
Revised Forecast (B)	414,100	6,100	7,000	4,600	72.39 yen
Variance(B-A)	(13,900)	1,900	–	–	
Change (%)	(3.2)	45.2	–	–	
Reference: Results for the first six months of the fiscal year ended March 31, 2015	401,341	7,161	7,968	4,964	78.13 yen

b) For the fiscal year ending March 31, 2016

(Millions of yen, except per share data)

	Net sales	Operating income	Ordinary income	Profit	Earnings per share
Previous Forecast (A)	850,000	9,300	15,400	10,100	158.94 yen
Revised Forecast (B)	822,300	13,000	15,400	10,100	158.94 yen
Variance (B-A)	(27,700)	3,700	–	–	
Change (%)	(3.3)	39.8	–	–	
Reference: Results for the fiscal year ended March 31, 2015	794,221	14,177	16,322	10,267	161.58 yen

c) Reason for revision

Effective from the first quarter under review, the Company has partially changed its accounting policies. Accordingly, the application of these changes is reflected in financial result forecast for the fiscal year ending March 31, 2016.

2. Summary Information (Notes)

(1) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

Changes in accounting policies

Change in accounting policy regarding distribution expenses

On delivering products to customer companies' logistic centers, the Company previously recognized amounts it bore on behalf of customer companies from among expenses such as costs of running the said logistics centers and charges for distribution to various stores as distribution expenses in selling, general and administrative expenses. Effective from the first quarter under review, however, the Company changed to a method in which these amounts are deducted from net sales.

This change was made in light of the fact that in recent years the said charges for distribution and the like are increasingly being treated as important elements in the determination of transaction terms and conditions. This is the result of an overall examination of transaction details carried out in a restructuring of the Company's business management method in order to strengthen its wholesale capabilities and provide high-value-added services in view of the dramatically changing business environment surrounding the Company. Specifically, the Company judged that deeming the said charges for distribution and the like as net sales deductions appropriately reflects actual conditions of transactions. In addition, as a modification of a profit management system in the IT system was completed and started operating in April 2015, this will contribute to more appropriate presentation of operating results.

This change in accounting policy has been applied retrospectively, and the quarterly financial statements for the three months ended June 30, 2014, are those after retrospective application.

As a result of the above, in comparison to before the said retrospective application, gross profit for the three months ended June 30, 2014, decreased by ¥6,582 million. There were no impacts on operating income, ordinary income and income before income taxes, however.

Change in accounting policy regarding purchase discounts

The Company previously recognized discounts on purchase prices received in accordance with product purchases and settlement terms as purchase discounts in non-operating income. Effective from the first quarter under review, however, the Company changed to a method in which these amounts are included in cost of sales as items deducted from purchases.

This change was made in light of the fact that in recent years the said purchase discounts are increasingly being treated as important elements in the determination of transaction terms and conditions regardless of market interest rate trends. This is the result of an overall examination of transaction details carried out in a restructuring of the Company's business management method in order to strengthen its wholesale capabilities and provide high-value-added services in view of the dramatically changing business environment surrounding the Company. Specifically, the Company judged that deeming the said purchase discounts as cost of sales deductions appropriately reflects actual conditions of transactions. In addition, as a modification of a profit management system in the IT system was completed and started operating in April 2015, this will contribute to more appropriate presentation of operating results.

This change in accounting policy has been applied retrospectively, and the quarterly financial statements for the three months ended June 30, 2014, and the financial statements for the previous fiscal year are those after retrospective application.

As a result of the above, in comparison to before the said retrospective application, gross profit and operating income for the three months ended June 30, 2014, each increased by ¥964 million, while ordinary income and income before income taxes for the same period each decreased by ¥37 million. In addition, the balance of retained earnings at the beginning of the previous fiscal year increased by ¥141 million because the cumulative effects on net assets at the beginning of the previous fiscal year was reflected.

Changes in presentation

Changes in presentation of rent income of real estate and cost of real estate rent

Rent income of real estate was previously included and presented in net sales but effective from the first quarter under review, this has been changed to a method in which it is presented as real estate rent in non-operating income. Furthermore, in accordance with this change, cost of real estate rent, which was previously included and presented in cost of sales, has been changed to a method in which it is presented as rent cost of real estate in non-operating expenses.

This change was made as a result of a review the Company conducted regarding its operating segments as part of restructuring of its business management method to strengthen its wholesale capabilities. Accordingly, rent income of real estate that is not expected to increase in the future has been separated from the wholesale business, which is the Company's principle business, and the above-mentioned income and cost thereof are now presented in non-operating income and non-operating expenses, respectively. This will contribute to more appropriate presentation of operating results.

The quarterly financial statements of the three months ended June 30, 2014 have been reclassified to reflect this change in presentation.

Consequently, ¥53 million listed as "net sales" in the statement of income for the three months ended June 30, 2014 has been reclassified as "real estate rent" under "non-operating income," and ¥33 million listed as "cost of sales" is reclassified as "rent cost of real estate" under "non-operating expenses."

3. Quarterly Financial Statements

(1) Quarterly Balance Sheets

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	21,507	13,373
Notes and accounts receivable-trade	151,706	162,633
Merchandise and finished goods	32,339	35,072
Other	15,478	14,900
Allowance for doubtful accounts	(20)	(23)
Total current assets	221,011	225,957
Non-current assets		
Property, plant and equipment		
Buildings	29,272	32,915
Land	37,599	37,717
Other	11,634	11,393
Total property, plant and equipment	78,506	82,026
Intangible assets	536	505
Investments and other assets		
Investments and other assets	18,382	20,479
Allowance for doubtful accounts	(251)	(249)
Total investments and other assets	18,130	20,229
Total non-current assets	97,174	102,762
Total assets	318,186	328,719
Liabilities		
Current liabilities		
Notes and accounts payable-trade	119,186	120,541
Short-term loans payable	17,400	21,400
Current portion of long-term loans payable	4,854	4,456
Income taxes payable	3,342	1,657
Provision for bonuses	1,972	2,654
Provision for sales returns	195	241
Other	16,345	14,683
Total current liabilities	163,296	165,634
Non-current liabilities		
Long-term loans payable	4,928	9,364
Provision for retirement benefits	1,857	1,913
Other	4,567	5,289
Total non-current liabilities	11,353	16,567
Total liabilities	174,650	182,201

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
Net assets		
Shareholders' equity		
Capital stock	15,869	15,869
Capital surplus	27,827	27,827
Retained earnings	94,411	95,828
Treasury shares	(7)	(7)
Total shareholders' equity	138,100	139,518
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	5,420	6,986
Deferred gains or losses on hedges	14	13
Total valuation and translation adjustments	5,434	6,999
Total net assets	143,535	146,517
Total liabilities and net assets	318,186	328,719

(2) Quarterly Statements of Income

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net sales	193,619	209,958
Cost of sales	178,953	194,081
Gross profit	14,666	15,877
Selling, general and administrative expenses	11,866	12,070
Operating income	2,799	3,806
Non-operating income		
Dividend income	93	99
Research fee income	314	339
Real estate rent	53	61
Other	103	117
Total non-operating income	563	617
Non-operating expenses		
Interest expenses	62	43
Rent cost of real estate	33	34
Depreciation of inactive non-current assets	22	–
Other	9	1
Total non-operating expenses	128	78
Ordinary income	3,234	4,345
Extraordinary income		
Gain on sales of non-current assets	66	–
Gain on sales of investment securities	1	0
Total extraordinary income	68	0
Extraordinary losses		
Loss on sales of non-current assets	14	–
Loss on retirement of non-current assets	3	0
Loss on sales of investment securities	–	2
Loss on valuation of investment securities	331	–
Other	0	–
Total extraordinary losses	348	3
Income before income taxes	2,953	4,342
Income taxes-current	1,236	1,563
Income taxes-deferred	(42)	(99)
Total income taxes	1,193	1,463
Profit	1,760	2,879

(3) Quarterly Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2014	Three months ended June 30, 2015
Net cash provided by (used in) operating activities		
Income before income taxes	2,953	4,342
Depreciation and amortization	1,222	1,096
Increase (decrease) in allowance for doubtful accounts	151	0
Increase (decrease) in provision for bonuses	655	681
Increase (decrease) in provision for sales returns	20	45
Increase (decrease) in provision for retirement benefits	96	83
Interest and dividend income	(93)	(99)
Interest expenses	62	43
Loss (gain) on sales of investment securities	(1)	2
Loss (gain) on valuation of investment securities	331	–
Decrease (increase) in notes and accounts receivable-trade	9,066	(10,926)
Decrease (increase) in inventories	(31)	(2,732)
Increase (decrease) in notes and accounts payable-trade	(1,596)	1,754
Increase (decrease) in accrued consumption taxes	844	(2,324)
Other, net	687	976
Subtotal	14,371	(7,057)
Interest and dividend income received	93	99
Interest expenses paid	(59)	(37)
Income taxes paid	(2,753)	(3,217)
Net cash provided by (used in) operating activities	11,652	(10,211)
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(57)	(4,661)
Proceeds from sales of property, plant and equipment	615	193
Purchase of intangible assets	(10)	(15)
Purchase of investment securities	(242)	(44)
Proceeds from sales of investment securities	3	23
Other, net	9	14
Net cash provided by (used in) investing activities	318	(4,489)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(3000)	4,000
Proceeds from long-term loans payable	–	6,500
Repayments of long-term loans payable	(1,015)	(2,462)
Repayments of lease obligations	(23)	(20)
Purchase of treasury shares	–	(0)
Cash dividends paid	(1,383)	(1,450)
Net cash provided by (used in) financing activities	(5,422)	6,567
Net increase (decrease) in cash and cash equivalents	6,548	(8,134)
Cash and cash equivalents at beginning of period	13,402	21,507
Cash and cash equivalents at end of period	19,950	13,373

(4) Notes to Quarterly Financial Statements

(Notes on premise of going concern)

No items to report

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

No items to report

4. Supplementary Information

(1) Sales Status

(Sales results)

1) Sales results for the three months ended June 30, 2015 by product category are as follows:

Product classification	Three months ended June 30, 2015	Year-on-year change (%)
	Amount (Millions of yen)	
Cosmetics	50,527	104.6
Daily necessities	92,256	109.3
OTC pharmaceuticals	30,348	105.3
Health and sanitary related products	33,408	116.5
Others	3,417	99.4
Total	209,958	108.4

Notes:

1. Above figures are exclusive of consumption taxes.
2. The Company's reportable segments were previously classified as the "wholesale business" and the "supply chain logistics business." Effective from the first quarter under review, this has been changed to the single segment of the "wholesale business."

2) Sales results for the three months ended June 30, 2015 by customer category are as follows:

Customer category		Three months ended June 30, 2015	Year-on-year change (%)
		Amount (Millions of yen)	
Drug	Drugstores (Pharmacies)	126,331	109.3
HC	Home centers (DIY stores)	23,555	108.6
CVS	Convenience stores	14,124	91.7
SM	Supermarkets	14,145	111.3
GMS	General merchandising stores	11,892	101.5
DS	Discount stores	11,934	117.6
Others	Export and others	7,973	126.2
Total sales in wholesale business		209,958	108.4

Notes:

1. Above figures are exclusive of consumption taxes.
2. The Company's reportable segments were previously classified as the "wholesale business" and the "supply chain logistics business." Effective from the first quarter under review, this has been changed to the single segment of the "wholesale business."