# Consolidated Financial Summary
# Second Quarter of FY2018

(April 1, 2017 – September 30, 2017)

TS TECH Co.,Ltd.

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In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

# Consolidated Financial Summary for the Second Quarter of FY2018
## (under IFRS)

November 1, 2017

Company name: TS TECH CO., LTD. Stock exchange listing: Tokyo Stock Exchange
Stock code: 7313 URL: http://www.tstech.co.jp
Representative: Michio Inoue, President
Contact: Mahoro Kurata, Manager, Public Relations Section, Administration Department Tel. 048-462-1121
Scheduled date for filing of quarterly securities report: November 10, 2017
Scheduled date of commencement of dividend payment: November 27, 2017
Preparation of supplementary explanatory material: Yes
Quarterly results briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Second Quarter of FY2018 (April 1, 2017 – September 30, 2017)

(1) Consolidated Financial Results (Accumulated Total) (% of change from the same period of previous year)

| | Revenue | | Operating income | | Income before tax | | Net income | | Income attributable to owners of parent | | Total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Second quarter of FY2018 | 223,693 | 10.7 | 23,155 | 48.8 | 24,457 | 64.6 | 17,918 | 72.9 | 13,046 | 61.9 | 20,660 | — |
| Second quarter of FY2017 | 202,067 | -11.2 | 15,561 | -23.8 | 14,861 | -30.8 | 10,363 | -33.9 | 8,059 | -36.1 | -5,319 | — |

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| | Yen | Yen |
| Second quarter of FY2018 | 191.86 | — |
| Second quarter of FY2017 | 118.52 | — |

(2) Consolidated Financial Position

| | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent to total assets | Equity attributable to owners of parent per share |
|---|---|---|---|---|---|
| | Million yen | Million yen | Million yen | % | Yen |
| Second quarter of FY 2018 | 340,927 | 246,092 | 225,060 | 66.0 | 3,309.81 |
| FY2017 | 322,202 | 230,989 | 212,417 | 65.9 | 3,123.88 |

2. Cash Dividends

| | Annual cash dividends per share | | | | |
|---|---|---|---|---|---|
| | End of 1Q | End of 2Q | End of 3Q | End of year | Annual |
| | Yen | Yen | Yen | Yen | Yen |
| FY2017 | — | 35.00 | — | 35.00 | 70.00 |
| FY2018 | — | 38.00 | | | |
| FY2018 (forecast) | | | — | 38.00 | 76.00 |

(Note) Revision from the most recent announcement of cash dividends forecasts: None

3. Consolidated Forecasts for FY2018 (April 1, 2017 - March 31, 2018)

(% of change from the same period of previous year)

| | Revenue | | Operating income | | Income before tax | | Net income | | Income attributable to owners of parent | | Basic earnings per share |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| FY2018 | 463,000 | 8.7 | 43,000 | 24.4 | 45,000 | 25.7 | 32,000 | 27.6 | 24,800 | 26.4 | 364.72 |

(Note) Revision from the most recent announcement of consolidated financial forecasts: Yes

*Notes

(1) Changes in important subsidiaries during the quarter : None
(Changes in significant subsidiaries affecting the scope of consolidation during this period)
New subsidiaries — companies Excluded subsidiaries — companies

(2) Changes in accounting policies and accounting estimates
1) Changes in accounting policies required by IFRS : None
2) Changes other than 1) : None
3) Changes in accounting estimates : None

(3) Number of shares issued (common stock)

| | | | |
|---|---|---|---|
| 1) Number of shares issued at the end of the term including treasury stock | 2Q of FY2018 | 68,000,000 shares | FY2017 | 68,000,000 shares |
| 2) Number of treasury stock at the end of the term | 2Q of FY2018 | 2,100 shares | FY2017 | 2,050 shares |
| 3) Average number of shares during the term (cumulative) | 2Q of FY2018 | 67,997,930 shares | 2Q of FY2017 | 67,997,973 shares |

*This quarterly financial statement is exempt from quarterly reviews

*Explanation regarding the appropriate use of forecasts of financial results and other notes

The consolidated forecasts presented above are projections made by management at TS TECH Co., Ltd. (hereinafter the "Company") on the basis of information available at the time of preparation. For that reason, they involve risks and uncertainties. Accordingly, we request that readers of this document avoid making investment decisions based exclusively on these forecasts. Please bear in mind the possibility that actual results may differ materially from these forecasts due to various important factors. Readers are asked to proceed to "(3) Qualitative Information Concerning Consolidated Forecasts" on page 4 for assumptions and other information that form the premise for the operating results forecast above.

For materials used for the results briefing held on November 1, 2017, refer to the following link on our website (http://www.tstech.co.jp/english/).
(IR Information) http://www.tstech.co.jp/english/ir

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1. Qualitative Information Concerning Quarterly Results

(1) Qualitative Information Concerning Consolidated Financial Results

Revenue for the second quarter of FY2018 (April 1, 2017 – September 30, 2017) reached 223,693 million yen on a consolidated basis, an increase of 21,625 million yen (10.7%) from the same period in FY2017. Factors for the increase include the impact of exchange rates* stemming from a weaker yen, sales of press tools for new models in the Americas segment, and higher volume from major customers, primarily in China.

Looking at profits, operating income stood at 23,155 million yen, an increase of 7,594 million yen (48.8%) year-on-year due to higher revenue as well as compensation accompanying the end of the Guangzhou plant relocation in China and the elimination of temporary expenses related to new model launches in the Asia and Europe segment. Income attributable to owners of parent amounted to 13,046 million yen, an increase of 4,987 million yen (61.9%) year-on-year.

*Exchange rates (First half average rates)
FY2017… USD/JPY: ¥105.2 CNY/JPY: ¥15.9
FY2018… USD/JPY: ¥111.1 CNY/JPY: ¥16.4

Operating performance by segment is as follows.

(Japan)

(Unit: million yen)

| | First half of FY2017 | First half of FY2018 | Year-on-year | Changes |
|---|---|---|---|---|
| Revenue | 44,586 | 41,225 | -3,361 | -7.5% |
| Operating income | 3,738 | 2,699 | -1,038 | -27.8% |

Main factors for year-on-year change

| | |
|---|---|
| Revenue | Revenue decreased due to lower order volume from major customers and changes in the makeup of models, offsetting the impact of exchange rates. |
| Operating income | Despite the impact of factors such as exchange rates, operating income decreased primarily due to the effects of lower revenue and development costs. |

(Americas)

(Unit: million yen)

| | First half of FY2017 | First half of FY2018 | Year-on-year | Changes |
|---|---|---|---|---|
| Revenue | 102,778 | 108,635 | 5,857 | 5.7% |
| Operating income | 6,313 | 5,583 | -729 | -11.6% |

Main factors for year-on-year change

| | |
|---|---|
| Revenue | Despite lower order volume from major customers and changes in the makeup of models, revenue increased due to factors including sales of press tools for new models and the impact of foreign currency translation. |
| Operating income | Operating income decreased primarily due higher development costs and other expenses related to new models, offsetting the effects of higher revenue. |

(China)

(Unit: million yen)

| | First half of FY2017 | First half of FY2018 | Year-on-year | Changes |
|---|---|---|---|---|
| Revenue | 42,227 | 55,029 | 12,802 | 30.3% |
| Operating income | 7,145 | 14,277 | 7,132 | 99.8% |

Main factors for year-on-year change

| | |
|---|---|
| Revenue | Revenue increased on higher order volume from major customers, an improved makeup of models and the impact of foreign currency translation. |
| Operating income | Operating income increased due to compensation accompanying the end of the Guangzhou plant relocation and the effects of higher revenue. |

(Asia and Europe)

(Unit: million yen)

| | First half of FY2017 | First half of FY2018 | Year-on-year | Changes |
|---|---|---|---|---|
| Revenue | 28,807 | 36,046 | 7,238 | 25.1% |
| Operating income | 901 | 3,209 | 2,308 | 256.2% |

Main factors for year-on-year change

| | |
|---|---|
| Revenue | Factors for an increase in revenue include higher component sales and the impact of foreign currency translation, as well as higher order volume from major customers and an improved makeup of models. |
| Operating income | Operating income increased primarily due to the effects of higher revenue and the elimination of temporary expenses related to new model launches. |

Sales by business segment are as follows:

（Unit: million yen）

| | First half of FY2017 | | First half of FY2018 | | Year-on-year | Changes |
|---|---|---|---|---|---|---|
| | | Sales ratio | | Sales ratio | | |
| Motorcycles | 2,474 | 1.2% | 2,990 | 1.3% | 515 | 20.9% |
| Automobiles | 196,580 | 97.3% | 218,062 | 97.5% | 21,482 | 10.9% |
| （Seats） | 172,434 | 85.3% | 191,411 | 85.6% | 18,977 | 11.0% |
| （Interior products） | 24,145 | 12.0% | 26,650 | 11.9% | 2,505 | 10.4% |
| Other businesses | 3,012 | 1.5% | 2,640 | 1.2% | -372 | -12.4% |
| Total | 202,067 | 100.0% | 223,693 | 100.0% | 21,625 | 10.7% |

(2) Qualitative Information Concerning Consolidated Financial Positions

(Assets)

Assets at the end of the second quarter of FY2018 stood at 340,927 million yen, an increase of 18,725 million yen from the end of FY2017. This change is due primarily to an increase in cash and cash equivalents resulting from higher profits.

(Liabilities)

Liabilities at the end of the second quarter of FY2018 amounted to 94,835 million yen, up 3,622 million yen from the end of FY2017. This is mainly the result of an increase in trade and other payables due to factors such as higher order volume from major customers, as well as an increase in income taxes payable largely attributable to higher profits.

(Equity)

Equity at the end of the second quarter of FY2018 was 246,092 million yen, up 1,512 million yen from the end of FY2017. The change is primarily the result of an increase in retained earnings stemming from the allocation of net income.

(3) Qualitative Information Concerning Consolidated Forecasts

Taking into account consolidated operating results for the first half of FY2018 as well as the current trend in orders from major customers and foreign exchange rates, the Group has revised the consolidated results forecasts it announced on April 28, 2017 as follows.

The assumed second-half average exchange rates are USD/JPY: ¥108.0 and CNY/JPY: ¥15.7, unchanged from the initial forecasts (April 28, 2017).

Revisions to full-year consolidated forecasts for FY2018 (April 1, 2017 - March 31, 2018)

| | Revenue | Operating income | Income before tax | Net income | Income attributable to owners of parent | Basic earnings per share |
|---|---|---|---|---|---|---|
| | Million yen | Million yen | Million yen | Million yen | Million yen | Yen |
| Previous forecasts (A) | 435,000 | 40,000 | 41,500 | 29,000 | 23,000 | 338. 25 |
| Revised forecasts (B) | 463,000 | 43,000 | 45,000 | 32,000 | 24,800 | 364. 72 |
| Difference (B-A) | 28,000 | 3,000 | 3,500 | 3,000 | 1,800 | |
| Change in % | 6.4 | 7.5 | 8.4 | 10.3 | 7.8 | |
| (Reference) Results from previous fiscal year (FY2017) | 425,794 | 34,557 | 35,792 | 25,086 | 19,622 | 288. 58 |

2. Condensed Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit: million yen)

| | FY2017 (As of March 31, 2017) | Second quarter of FY2018 (As of September 30, 2017) |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | 96,008 | 108,424 |
| Trade and other receivables | 68,024 | 70,592 |
| Other financial assets | 7,307 | 9,925 |
| Inventories | 29,059 | 27,381 |
| Income tax receivables | 449 | 1,018 |
| Other current assets | 5,280 | 4,941 |
| **Total assets** | 206,131 | 222,285 |
| **Non-current assets** | | |
| Property, plant and equipment | 76,576 | 76,830 |
| Intangible assets | 11,695 | 11,276 |
| Investments accounted for using the equity method | 1,028 | 1,187 |
| Other financial assets | 22,019 | 22,891 |
| Net defined benefit asset | 1,896 | 2,102 |
| Deferred tax assets | 1,906 | 2,229 |
| Other non-current assets | 948 | 1,125 |
| **Total non-current assets** | 116,070 | 118,642 |
| **Total assets** | 322,202 | 340,927 |

(Unit: million yen)

| | FY2017 (As of March 31, 2017) | Second quarter of FY2018 (As of September 30, 2017) |
|---|---|---|
| **Liabilities and equity** | | |
| **Current liabilities** | | |
| Trade and other payables | 69,476 | 70,411 |
| Current borrowings | 973 | 1,046 |
| Other financial liabilities | 709 | 1,206 |
| Income taxes payable | 2,871 | 3,690 |
| Provisions | 3,940 | 3,953 |
| Other current liabilities | 2,173 | 3,909 |
| **Total current liabilities** | 80,143 | 84,217 |
| **Non-current liabilities** | | |
| Non-current borrowings | 315 | 479 |
| Other financial liabilities | 1,530 | 1,428 |
| Net defined benefit liability | 1,098 | 1,245 |
| Provisions | 101 | 97 |
| Deferred tax liabilities | 6,173 | 5,401 |
| Other non-current liabilities | 1,850 | 1,964 |
| **Total non-current liabilities** | 11,068 | 10,617 |
| **Total liabilities** | 91,212 | 94,835 |
| **Equity** | | |
| Capital stock | 4,700 | 4,700 |
| Capital surplus | 5,257 | 5,171 |
| Treasury stock | -4 | -4 |
| Retained earnings | 194,847 | 205,513 |
| Other components of equity | 7,617 | 9,679 |
| Total equity attributable to owners of parent | 212,417 | 225,060 |
| Non-controlling interests | 18,572 | 21,031 |
| **Total equity** | 230,989 | 246,092 |
| **Total liabilities and equity** | 322,202 | 340,927 |

(2) Condensed Quarterly Consolidated Statements of Income and Comprehensive Income

Condensed Quarterly Consolidated Statement of Income

Consolidated First Half

(Unit: million yen)

| | First half of FY2017 (April 1, 2016 – September 30, 2016) | First half of FY2018 (April 1, 2017 – September 30, 2017) |
|---|---|---|
| Revenue | 202,067 | 223,693 |
| Cost of sales | -168,655 | -187,016 |
| Gross profit | 33,412 | 36,677 |
| Selling, general and administrative expenses | -17,626 | -17,815 |
| Other income | 419 | 4,424 |
| Other expenses | -644 | -130 |
| Operating income | 15,561 | 23,155 |
| Finance income | 790 | 1,210 |
| Finance costs | -1,667 | -82 |
| Share of profit (loss) of investments accounted for using the equity method | 177 | 174 |
| Income before tax | 14,861 | 24,457 |
| Income tax expense | -4,497 | -6,538 |
| Net income | 10,363 | 17,918 |
| **Income attributable to** | | |
| Income attributable to owners of parent | 8,059 | 13,046 |
| Income attributable to non-controlling interests | 2,304 | 4,872 |
| Net income | 10,363 | 17,918 |
| **Earnings per share** | | |
| Basic earnings per share (yen) | 118.52 | 191.86 |
| Diluted earnings per share (yen) | — | — |

Condensed Quarterly Consolidated Statement of Comprehensive Income

Consolidated First Half

(Unit: million yen)

| | First half of FY2017 (April 1, 2016 – September 30, 2016) | First half of FY2018 (April 1, 2017 – September 30, 2017) |
|---|---|---|
| Net income | 10,363 | 17,918 |
| **Other comprehensive income** | | |
| **Components that will not be reclassified subsequently to net profit or loss** | | |
| Remeasurements of defined benefits plans | -50 | -84 |
| Total components that will not be reclassified subsequently to net profit or loss | -50 | -84 |
| **Components that may be reclassified subsequently to net profit or loss** | | |
| Change in fair value of available-for-sale financial assets | -576 | 139 |
| Differences on translation from foreign operations | -14,886 | 2,703 |
| Share of other comprehensive income of associates accounted for using the equity method | -169 | -15 |
| Total components that may be reclassified subsequently to net profit or loss | -15,633 | 2,826 |
| Other comprehensive income, net or tax | -15,683 | 2,742 |
| **Comprehensive income for the period** | -5,319 | 20,660 |
| **Comprehensive income for the period attributable to:** | | |
| Comprehensive income for the period attributable to owners of parent | -5,120 | 15,109 |
| Comprehensive income for the period attributable to non-controlling interests | -198 | 5,551 |
| **Comprehensive income for the period** | -5,319 | 20,660 |

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

First half of FY2017 (April 1, 2016 - September 30, 2016)

(Unit: million yen)

| | Equity attributable to owners of parent | | | | |
|---|---|---|---|---|---|
| | Capital stock | Capital surplus | Treasury stock | Retained earnings | Other components of equity |
| Balance as at the end of the previous fiscal year | 4,700 | 4,949 | -4 | 179,851 | 7,563 |
| Comprehensive income | | | | | |
| Net income | | | | 8,059 | |
| Other comprehensive income | | | | | -13,179 |
| Total comprehensive income | — | — | — | 8,059 | -13,179 |
| Transactions with owners, etc. | | | | | |
| Dividends | | | | -2,243 | |
| Acquisition of treasury stock | | | -0 | | |
| Changes in ownership interests in subsidiaries | | 76 | | | |
| Other | | | | -3 | |
| Total transactions with owners, etc. | — | 76 | -0 | -2,247 | — |
| Balance as at the end of the fiscal year | 4,700 | 5,025 | -4 | 185,663 | -5,616 |

| | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|---|---|---|---|
| Balance as at the end of the previous fiscal year | 197,060 | 22,031 | 219,092 |
| Comprehensive income | | | |
| Net income | 8,059 | 2,304 | 10,363 |
| Other comprehensive income | -13,179 | -2,503 | -15,683 |
| Total comprehensive income | -5,120 | -198 | -5,319 |
| Transactions with owners, etc. | | | |
| Dividends | -2,243 | -1,948 | -4,192 |
| Acquisition of treasury stock | -0 | | -0 |
| Changes in ownership interests in subsidiaries | 76 | -155 | -79 |
| Other | -3 | -1 | -4 |
| Total transactions with owners, etc. | -2,171 | -2,105 | -4,276 |
| Balance as at the end of the fiscal year | 189,768 | 19,727 | 209,496 |

First half of FY2018 (April 1, 2017 - September 30, 2017)

(Unit: million yen)

| | Equity attributable to owners of parent | | | | |
|---|---|---|---|---|---|
| | Capital stock | Capital surplus | Treasury stock | Retained earnings | Other components of equity |
| Balance as at the end of the previous fiscal year | 4,700 | 5,257 | -4 | 194,847 | 7,617 |
| Comprehensive income | | | | | |
| Net income | | | | 13,046 | |
| Other comprehensive income | | | | | 2,062 |
| Total comprehensive income | — | — | — | 13,046 | 2,062 |
| Transactions with owners, etc. | | | | | |
| Dividends | | | | -2,379 | |
| Acquisition of treasury stock | | | -0 | | |
| Changes in ownership interests in subsidiaries | | -85 | | | |
| Other | | | | | |
| Total transactions with owners, etc. | — | -85 | -0 | -2,379 | — |
| Balance as at the end of the fiscal year | 4,700 | 5,171 | -4 | 205,513 | 9,679 |

| | Total equity attributable to owners of parent | Non-controlling interests | Total equity |
|---|---|---|---|
| Balance as at the end of the previous fiscal year | 212,417 | 18,572 | 230,989 |
| Comprehensive income | | | |
| Net income | 13,046 | 4,872 | 17,918 |
| Other comprehensive income | 2,062 | 679 | 2,742 |
| Total comprehensive income | 15,109 | 5,551 | 20,660 |
| Transactions with owners, etc. | | | |
| Dividends | -2,379 | -2,362 | -4,742 |
| Acquisition of treasury stock | -0 | | -0 |
| Changes in ownership interests in subsidiaries | -85 | -730 | -815 |
| Other | | | |
| Total transactions with owners, etc. | -2,465 | -3,092 | -5,558 |
| Balance as at the end of the fiscal year | 225,060 | 21,031 | 246,092 |

(4) Condensed Quarterly Statement of Cash Flows

(Unit: million yen)

| | First half of FY2017 (April 1, 2016 – September 30, 2016) | First half of FY2018 (April 1, 2017 – September 30, 2017) |
|---|---|---|
| **Cash flows from operating activities** | | |
| Income before tax | 14,861 | 24,457 |
| Depreciation and amortization | 5,136 | 5,674 |
| Impairment loss | 240 | ― |
| Loss (gain) on disposal of non-current assets | 301 | -176 |
| Finance income and finance costs | -625 | -775 |
| Equity in (earnings) losses of affiliates | -177 | -174 |
| Decrease (increase) in operating and other receivables | -925 | -925 |
| Net decrease (increase) in leased receivables and investment assets | 707 | -695 |
| Decrease (increase) in inventories | -3,105 | 2,059 |
| Increase (decrease) in operating and other debts | -604 | -811 |
| Increase (decrease) in net defined benefit asset or liability | -46 | -67 |
| Increase (decrease) in provisions | -80 | -10 |
| Other | 1,380 | 3,839 |
| Subtotal | 17,064 | 32,393 |
| Interest income received | 510 | 479 |
| Dividend income received | 206 | 329 |
| Interest expenses paid | -71 | -77 |
| Income taxes paid | -4,761 | -7,518 |
| **Cash flows from operating activities** | 12,947 | 25,605 |
| **Cash flows from investing activities** | | |
| Payments into time deposits | -1,557 | -2,792 |
| Proceeds from withdrawal of time deposits | 4,041 | 944 |
| Purchase of property, plant and equipment | -5,756 | -4,674 |
| Proceeds from sales of property, plant and equipment | 74 | 98 |
| Purchase of intangible assets | -1,265 | -647 |
| Purchase of equity instruments | -28 | -29 |
| Proceeds from sales of equity instruments | 129 | 0 |
| Payments of loans receivable | -115 | -110 |
| Collection of loans receivable | 82 | 88 |
| Other | -1,007 | -19 |
| **Cash flows from investing activities** | -5,403 | -7,143 |

(Unit: million yen)

| | First half of FY2017 (April 1, 2016 – September 30, 2016) | First half of FY2018 (April 1, 2017 – September 30, 2017) |
|---|---|---|
| **Cash flows from financial activities** | | |
| Net increase (decrease) in short-term loans payable | -83 | 40 |
| Proceeds from long-term loans payable | 300 | 200 |
| Repayment of long-term loans payable | -7 | -2 |
| Repayments of finance lease obligations | -1,079 | -669 |
| Purchase of treasury stock | -0 | -0 |
| Cash dividends paid | -2,243 | -2,379 |
| Dividends paid to non-controlling interests | -4,060 | -3,794 |
| Payment to acquire interests in subsidiaries from non-controlling interests | -79 | -815 |
| **Net cash provided by (used in) financing activities** | -7,255 | -7,422 |
| **Effect of exchange rate change on cash and cash equivalents** | -7,399 | 1,375 |
| **Net increase (decrease) in cash and cash equivalents** | -7,110 | 12,415 |
| **Cash and cash equivalents at beginning of period** | 90,437 | 96,008 |
| **Cash and cash equivalents at end of period** | 83,326 | 108,424 |

(5) Notes Concerning Condensed Quarterly Consolidated Financial Statements

(Notes Concerning Going Concern Assumption)

Not applicable

(Segment Information, etc.)

Information about revenue, profits or losses for reporting segments

First half of FY2017 (April 1, 2016 – September 30, 2016)

(Unit: million yen)

| | Reporting Segments | | | | | Adjustments | Amounts stated in consolidated F/S |
|---|---|---|---|---|---|---|---|
| | Japan | Americas | China | Asia and Europe | Total | | |
| Revenue | | | | | | | |
| External revenue | 32,761 | 102,084 | 38,675 | 28,546 | 202,067 | — | 202,067 |
| Inter-segment transfer | 11,825 | 694 | 3,551 | 261 | 16,332 | -16,332 | — |
| Total | 44,586 | 102,778 | 42,227 | 28,807 | 218,400 | -16,332 | 202,067 |
| Segment profits | 3,738 | 6,313 | 7,145 | 901 | 18,097 | -2,536 | 15,561 |
| Finance income and finance costs | — | — | — | — | — | — | -877 |
| Return on investment using the equity method | — | — | — | — | — | — | 177 |
| Income before tax | — | — | — | — | — | — | 14,861 |

(Notes) 1. Adjustments of -2,536 million yen for segment profits include a deduction of -13 million yen for transactions among segments, and operating expenses of -2,523 million yen associated with the administration division of the headquarters of the parent company, which could not be allocated.

2. Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.

First half of FY2018 (April 1, 2017 – September 30, 2017)

(Unit: million yen)

| | Reporting Segments | | | | | Adjustments | Amounts stated in consolidated F/S |
|---|---|---|---|---|---|---|---|
| | Japan | Americas | China | Asia and Europe | Total | | |
| Revenue | | | | | | | |
| External revenue | 29,365 | 107,625 | 51,326 | 35,376 | 223,693 | — | 223,693 |
| Inter-segment transfer | 11,860 | 1,009 | 3,703 | 670 | 17,244 | -17,244 | — |
| Total | 41,225 | 108,635 | 55,029 | 36,046 | 240,937 | -17,244 | 223,693 |
| Segment profits | 2,699 | 5,583 | 14,277 | 3,209 | 25,770 | -2,615 | 23,155 |
| Finance income and finance costs | — | — | — | — | — | — | 1,127 |
| Return on investment using the equity method | — | — | — | — | — | — | 174 |
| Income before tax | — | — | — | — | — | — | 24,457 |

(Notes) 1. Adjustments of -2,615 million yen for segment profits include a deduction of -169 million yen for transactions among segments, and operating expenses of -2,446 million yen associated with the administration division of the headquarters of the parent company, which could not be allocated.

2. Segment profits are adjusted to operating income in the condensed quarterly consolidated statements of income.