

Consolidated Financial Results

for the Nine Months Ended December 31, 2024

(Under IFRS)

February 7, 2025

Company name: Kanematsu Corporation

Listing: Tokyo Stock Exchange
 Securities code: 8020
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	781,744	7.7	33,437	0.9	29,630	6.3	19,864	10.6
December 31, 2023	726,045	7.1	33,132	11.8	27,880	(1.9)	17,957	(8.1)

	Profit attributable to owners of the parent		Total comprehensive income		Basic earning per share	Diluted earning per share
	Millions of yen	%	Millions of yen	%	Yen	Yen
Nine months ended December 31, 2024	19,414	17.3	23,882	(2.5)	232.30	231.39
December 31, 2023	16,555	6.6	24,504	4.1	198.15	197.49

(Notes) The basic earnings per share and the diluted earnings per share are calculated based on the profit attributable to owners of the parent.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of December 31, 2024	726,656	191,371	173,890	23.9
March 31, 2024	725,347	176,000	159,318	22.0

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	45.00	-	45.00	90.00
Fiscal year ending March 31, 2025	-	52.50	-		
Fiscal year ending March 31, 2025 (Forecast)				52.50	105.00

(Notes) Revisions to the forecast of cash dividends most recently announced: None

3. Forecasts for consolidated results ending March 31, 2025 (April 1, 2024 – March 31, 2025)

(Percentages indicate changes from the previous year.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent	Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Yen
Full year	1,100,000	11.6	44,500	1.4	40,000	7.4	27,000	16.3
								323.08

(Note) Revisions to results forecasts published most recently: None

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies and changes in accounting estimates

- (i) Changes in accounting policies required by IFRS: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

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

As of December 31, 2024	84,500,202	shares
As of March 31, 2024	84,500,202	shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024	906,819	shares
As of March 31, 2024	942,521	shares

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

Nine months ended December 31, 2024	83,576,769	shares
Nine months ended December 31, 2023	83,551,378	shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanation about the proper use of results forecasts, and additional information.

The forward-looking statements, including results forecasts, included in this document are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results might be significantly different from the forecasts in the document, depending on various factors. Refer to “(3) Information on the future outlook, including consolidated business performance forecasts” in “1. Qualitative Information on Consolidated Results for the Nine Months Ended December 31, 2024” on page 3 of accompanying materials for further information on results forecasts.

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1. Qualitative Information on Consolidated Results for the Nine Months Ended December 31, 2024

(1) Details of consolidated results

During the nine months under review (from April 1, 2024, to December 31, 2024), the prospect of the global economy remained uncertain, reflecting a sense of caution over the economic and foreign policies of the second Trump administration and their impact on the global economy as well as on the conflicts in Ukraine and the Middle East.

In the U.S., the situation is a mixture of positive and negative factors, with solid personal consumption, contrasting with concerns regarding rising prices due to raised tariffs and the impact of the shift in energy policy on investment activities.

In Europe, personal consumption is picking up in response to an increase in real income due to slowing inflation, and the economy is expected to be on a gradual recovery track. At the same time, concerns remain that a production decline in German manufacturing industry, which continues to stagnate, may further dampen the economy of Europe as a whole.

In China, there are concerns that a full-fledged economic recovery will take time due to the prolonged real estate recession, decline in exports resulting from higher tariffs by the U.S., and slowdown in consumer spending.

The Japanese economy is expected to recover slowly against the backdrop of solid corporate profits and improvements in the employment and income environments. Meanwhile, it is necessary to closely monitor the future outlook, including interest rate hikes and the direct and indirect impacts of U.S. trade policy.

Revenue increased, driven by strong sales in the mobile business and the aerospace business that saw a steady growth, particularly in airplane and defense-related transactions. Although profit declined in the steel tubing business, as well as grain, oilseeds and feedstuff business and meat products business due to market stagnation, the mobile business and aerospace business recorded profit growth.

As a result, consolidated revenue increased by ¥55,699 million (7.7%) year on year, to ¥781,744 million. Consolidated gross profit also increased by ¥9,225 million (8.9%) from a year earlier, to ¥112,873 million. Consolidated operating profit increased by ¥305 million (0.9%) from a year earlier, to ¥33,437 million due to an increase in gross profit. Profit before tax increased by ¥1,750 million (6.3%) year on year, to ¥29,630 million due to the absence of the impairment loss on equity method investments recognized in the same period of the previous fiscal year. Profit attributable to owners of the parent increased by ¥2,859 million (17.3%) year on year, to ¥19,414 million.

Results for each business segment are described below.

(i) ICT Solution

Revenue increased by ¥7,549 million year on year, to ¥65,344 million, since security-related services, as well as network and storage services, mainly in the manufacturing industry, remained strong. Operating profit increased by ¥506 million, to ¥9,085 million, and profit attributable to owners of the parent increased by ¥258 million, to ¥6,010 million.

(ii) Electronics & Devices

Revenue increased by ¥27,698 million year on year, to ¥197,889 million, attributable to higher revenue in the mobile business and the semiconductor parts and manufacturing equipment business. Operating profit increased by ¥4,505 million, to ¥10,036 million, mainly driven by growth in the mobile business. Profit attributable to owners of the parent increased by ¥3,510 million, to ¥6,702 million.

(iii) Foods, Meat & Grain

Revenue increased by ¥14,358 million year on year, to ¥272,668 million, reflecting growth in the meat products business and feedstuff business. Operating profit decreased by ¥1,622 million, to ¥5,735 million, primarily due to the performance of the meat products business and feedstuff business. Profit attributable to owners of the parent decreased by ¥1,294 million, to ¥2,317 million.

(iv) Steel, Materials & Plant

Revenue decreased by ¥8,345 million year on year, to ¥150,894 million, due to a downturn in the steel business and energy business. Operating profit decreased by ¥3,192 million, to ¥4,808 million, impacted by weaker performance in the steel business and energy business. Profit attributable to owners of the parent increased by ¥113 million, to ¥1,764 million.

million due to the absence of the impairment loss on equity method investments recognized in the same period of the previous fiscal year.

(v) Motor Vehicles & Aerospace

Revenue increased by ¥14,281 million year on year, to ¥93,315 million, mainly driven by growth in the aerospace business. Operating profit increased by ¥187 million, to ¥3,811 million, supported by higher profits in the aerospace business. Profit attributable to owners of the parent increased by ¥385 million, to ¥2,484 million.

(vi) Other

Revenue increased by ¥159 million year on year, to ¥1,632 million, while the operating loss increased by ¥198 million, to ¥123 million, and the loss attributable to owners of the parent increased by ¥229 million, to ¥14 million.

(2) Details of financial position

(i) Assets, liabilities and equity

Total assets at the end of December 31, 2024, increased by ¥1,309 million from the end of the previous fiscal year, to ¥726,656 million.

Interest-bearing debt decreased by ¥9,655 million from the end of the previous fiscal year, to ¥204,891 million. Net interest-bearing debt after deducting cash and deposits decreased by ¥15,715 million from the end of the previous fiscal year, to ¥143,710 million. Interest-bearing debt does not include lease liabilities.

In terms of equity, equity attributable to owners of the parent increased by ¥14,572 million from the end of the previous fiscal year, to ¥173,890 million, due to the accumulation of profit attributable to owners of the parent.

As a result, the equity ratio attributable to owners of the parent was 23.9%. The net debt-equity ratio was 0.83 times.

(ii) Cash flows

Cash and cash equivalents at the end of December 31, 2024, increased by ¥5,777 million from the end of the previous fiscal year, to ¥59,208 million.

The state of cash flows and factors for each category for the nine months ended December 31, 2024, were as follows:

(Cash flows from operating activities)

Net cash provided by operating activities for the nine months ended December 31, 2024, was ¥27,304 million (¥12,046 million in the same period of the previous fiscal year), mainly reflecting the accumulation of operating revenue.

(Cash flows from investing activities)

Net cash provided in investing activities for the nine months ended December 31, 2024, was ¥4,355 million (¥7,617 million used in the same period of the previous fiscal year), mainly reflecting the sale of cross-shareholdings (other investments) despite the payments for the execution of business investments such as the acquisition of property, plant and equipment, as well as subsidiaries.

(Cash flows from financing activities)

Net cash used in financing activities for the nine months ended December 31, 2024, was ¥26,317 million (¥36,902 million used in the same period of the previous fiscal year), mainly due to repayments of borrowings and lease liabilities, as well as dividend payments.

(3) Information on the future outlook, including consolidated business performance forecasts

We have not changed the forecasts for consolidated results that we announced on November 1, 2024.

* Note on forward-looking statements:

The forward-looking statements, including results forecasts, included in this material are based on information that the Company has obtained and certain assumptions that the Company considers reasonable. The Company does not promise to achieve them. Actual results may differ materially from forecasts due to a number of factors.

2. Condensed Consolidated Financial Statements and Major Notes

(1) Condensed Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	53,431	59,208
Trade and other receivables	287,119	276,064
Inventories	158,784	165,531
Other financial assets	9,988	10,711
Other current assets	34,189	37,051
Total current assets	543,513	548,566
Non-current assets		
Property, plant and equipment	47,190	56,115
Goodwill	16,952	18,199
Intangible assets	29,621	28,754
Investments accounted for using the equity method	20,471	19,214
Trade and other receivables	1,541	717
Other investments	53,019	45,253
Other financial assets	6,978	7,024
Deferred tax assets	1,893	806
Other non-current assets	4,164	2,003
Total non-current assets	181,834	178,089
Total assets	725,347	726,656

(Million yen)

	As of March 31, 2024	As of December 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	239,563	232,101
Bonds and borrowings	117,043	117,073
Lease liabilities	7,492	8,374
Other financial liabilities	8,694	9,587
Income taxes payable	6,812	7,868
Provisions	304	35
Other current liabilities	34,765	34,907
Total current liabilities	414,675	409,948
Non-current liabilities		
Bonds and borrowings	97,502	87,818
Lease liabilities	13,721	16,401
Other financial liabilities	3,576	2,814
Retirement benefits liabilities	6,076	5,914
Provisions	2,352	3,243
Deferred tax liabilities	10,331	8,183
Other non-current liabilities	1,109	958
Total non-current liabilities	134,671	125,335
Total liabilities	549,347	535,284
Equity		
Share capital	27,781	27,781
Capital surplus	—	—
Retained earnings	97,236	114,891
Treasury stock	(1,238)	(1,183)
Other components of equity		
Exchange differences on translation of foreign operations	14,262	15,869
Financial assets measured at fair value through other comprehensive income	19,958	15,180
Cash flow hedges	1,318	1,351
Total other components of equity	35,539	32,401
Total equity attributable to owners of the parent	159,318	173,890
Non-controlling interests	16,681	17,480
Total equity	176,000	191,371
Total liabilities and equity	725,347	726,656

(2) Condensed consolidated statements of income / Condensed consolidated statements of comprehensive income
(Condensed consolidated statements of income)

(Million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Revenue	726,045	781,744
Cost of sales	(622,396)	(668,871)
Gross profit	103,648	112,873
Selling, general and administrative expenses	(77,588)	(84,648)
Other income (expenses)		
Gain (loss) on sale or disposal of property, plant and equipment and intangible assets, net	1,857	(65)
Other income	6,007	5,778
Other expenses	(792)	(499)
Total other income (expenses)	7,072	5,213
Operating profit	33,132	33,437
Finance income		
Interest income	836	727
Dividend income	1,205	1,209
Other finance income	42	27
Total finance income	2,085	1,963
Finance costs		
Interest expenses	(4,658)	(4,447)
Other finance costs	(166)	(106)
Total finance costs	(4,824)	(4,553)
Share of profit (loss) of investments accounted for using the equity method	(162)	(1,217)
Impairment loss on equity method investments	(2,349)	—
Profit before tax	27,880	29,630
Income tax expense	(9,923)	(9,766)
Profit for the period	17,957	19,864
Profit for the period attributable to:		
Owners of the parent	16,555	19,414
Non-controlling interests	1,401	449
Total	17,957	19,864
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	198.15	232.30
Diluted earnings per share (yen)	197.49	231.39

(Condensed consolidated statements of comprehensive income)

(Million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit for the period	17,957	19,864
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	2,699	2,108
Remeasurement of defined benefit pension plans	—	(475)
Share of other comprehensive income of investments accounted for using the equity method	(16)	(9)
Total items that will not be reclassified to profit or loss	2,682	1,623
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	3,571	2,332
Cash flow hedges	(697)	26
Share of other comprehensive income of investments accounted for using the equity method	991	35
Total items that may be reclassified to profit or loss	3,865	2,394
Other comprehensive income for the period, net of tax	6,547	4,017
Total comprehensive income for the period	24,504	23,882
Total comprehensive income for the period attributable to:		
Owners of the parent	22,195	22,676
Non-controlling interests	2,309	1,205
Total	24,504	23,882

(3) Condensed consolidated statement of changes in equity

(Million yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
As of April 1, 2023	27,781	—	80,543	(1,259)	8,878	11,829
Profit for the period			16,555			
Other comprehensive income					3,657	2,680
Total comprehensive income for the period	—	—	16,555	—	3,657	2,680
Dividends			(6,893)			
Dividends to non-controlling interests						
Acquisition of treasury stock				(3)		
Disposition of treasury stock		0		24		
Equity transactions with non-controlling interests		(314)				
Share-based payment transactions		135				
Put options granted to non-controlling interests		(70)				
Total transactions with owners	—	(249)	(6,893)	21	—	—
Transfer from retained earnings to capital surplus		249	(249)			
Transfer from other components of equity to retained earnings			27			(27)
As of December 31, 2023	27,781	—	89,984	(1,238)	12,535	14,482

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity			
As of April 1, 2023	752	—	21,460	128,525	14,898	143,423
Profit for the period			—	16,555	1,401	17,957
Other comprehensive income	(698)		5,639	5,639	908	6,547
Total comprehensive income for the period	(698)	—	5,639	22,195	2,309	24,504
Dividends			—	(6,893)		(6,893)
Dividends to non-controlling interests			—	—	(191)	(191)
Acquisition of treasury stock			—	(3)		(3)
Disposition of treasury stock			—	24		24
Equity transactions with non-controlling interests			—	(314)	(945)	(1,259)
Share-based payment transactions			—	135		135
Put options granted to non-controlling interests			—	(70)		(70)
Total transactions with owners	—	—	—	(7,121)	(1,136)	(8,257)
Transfer from retained earnings to capital surplus			—	—		—
Transfer from other components of equity to retained earnings			(27)	—		—
As of December 31, 2023	54	—	27,072	143,599	16,071	159,670

(Million yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Exchange differences on translation of foreign operations	Financial assets measured at fair value through other comprehensive income
As of April 1, 2024	27,781	—	97,236	(1,238)	14,262	19,958
Profit for the period			19,414			
Other comprehensive income					1,606	2,097
Total comprehensive income for the period	—	—	19,414	—	1,606	2,097
Dividends			(8,148)			
Dividends to non-controlling interests						
Acquisition of treasury stock				(1)		
Disposition of treasury stock		0		57		
Equity transactions with non-controlling interests		(40)				
Share-based payment transactions		106				
Put options granted to non-controlling interests		(77)				
Total transactions with owners	—	(11)	(8,148)	55	—	—
Transfer from retained earnings to capital surplus		11	(11)			
Transfer from other components of equity to retained earnings			6,399			(6,875)
As of December 31, 2024	27,781	—	114,891	(1,183)	15,869	15,180

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Cash flow hedges	Remeasurements of defined benefit pension plans	Total other components of equity			
As of April 1, 2024	1,318	—	35,539	159,318	16,681	176,000
Profit for the period			—	19,414	449	19,864
Other comprehensive income	33	(475)	3,261	3,261	755	4,017
Total comprehensive income for the period	33	(475)	3,261	22,676	1,205	23,882
Dividends			—	(8,148)		(8,148)
Dividends to non-controlling interests			—	—	(597)	(597)
Acquisition of treasury stock			—	(1)		(1)
Disposition of treasury stock			—	57		57
Equity transactions with non-controlling interests			—	(40)	191	151
Share-based payment transactions			—	106		106
Put options granted to non-controlling interests			—	(77)		(77)
Total transactions with owners	—	—	—	(8,104)	(406)	(8,510)
Transfer from retained earnings to capital surplus			—	—		—
Transfer from other components of equity to retained earnings		475	(6,399)	—		—
As of December 31, 2024	1,351	—	32,401	173,890	17,480	191,371

(4) Condensed consolidated statements of cash flows

(Million yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Cash flows from operating activities		
Profit for the period	17,957	19,864
Depreciation and amortization	10,816	11,809
Finance income and costs	2,739	2,590
Share of (profit) loss of investments accounted for using the equity method	162	1,217
Impairment loss on equity method investments	2,349	—
(Gain) loss on sale or disposal of property, plant and equipment and intangible assets, net	(1,857)	65
Income tax expense	9,923	9,766
(Increase) decrease in trade and other receivables	(24,569)	11,108
(Increase) decrease in inventories	(10,099)	(4,901)
Increase (decrease) in trade and other payables	19,749	(10,677)
Increase (decrease) in retirement benefit liabilities	26	(138)
Other	(629)	(1,231)
Sub total	26,568	39,472
Interest received	462	997
Dividends received	1,537	1,486
Interest paid	(4,469)	(4,240)
Income taxes paid	(12,052)	(10,411)
Net cash provided by (used in) operating activities	12,046	27,304
Cash flows from investing activities		
Payments for property, plant and equipment	(2,525)	(6,340)
Proceeds from sales of property, plant and equipment	3,998	771
Payments for intangible assets	(793)	(705)
Purchases of other investments	(5,569)	(643)
Proceeds from sale of other investments	729	12,030
Proceeds from (payments for) acquisition of subsidiaries	(3,790)	(3,238)
Payments for acquisition of businesses	(560)	(179)
Proceeds from transfer of business	7	8
Proceeds from the sale of other non-current assets	—	1,897
Increase in loans receivable	(605)	(300)
Proceeds from collection of loans receivable	1,406	1,453
Other	84	(396)
Net cash provided by (used in) investing activities	(7,617)	4,355
Cash flows from financing activities		
Increase (decrease) in short-term (maturing before 3 months) borrowings, net	13,221	(636)
Proceeds from short-term (maturing after 3 months) borrowings	901	334
Repayments of short-term (maturing after 3 months) borrowings	(58,851)	(59)
Proceeds from long-term borrowings	49,881	2,880
Repayments of long-term borrowings	(10,849)	(7,941)
Redemption of bonds	(14)	(5,000)
Dividends paid	(6,671)	(7,910)
Payments for acquisition of interests in subsidiaries from non-controlling interests	(17,240)	(98)
Proceeds from stock issuance to non-controlling interests	—	224
Dividends paid to non-controlling interests	(392)	(648)
Repayments of lease liabilities	(6,880)	(7,460)
Other	(6)	(1)
Net cash provided by (used in) financing activities	(36,902)	(26,317)
Increase (decrease) in cash and cash equivalents, net	(32,472)	5,342
Cash and cash equivalents at the beginning of the period	79,462	53,431
Effect of exchange rate changes on cash and cash equivalents	552	433
Cash and cash equivalents at the end of the period	47,542	59,208

(5) Notes on condensed consolidated financial statements

(Basis of Preparation)

The condensed consolidated financial statements of the Group are prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. (applying the omission of the description specified in Article 5, Paragraph 5 of the same standard) as stipulated by Tokyo Stock Exchange, Inc.

(Notes on the going concern assumption)

Not applicable.

(Segment information)

(1) Summary of reportable segments

The Group's reportable segments are components of the Group for which separate financial information is available, and which are regularly used by the Board of Directors when allocating management resources and evaluating performance, and they are subject to regular consideration.

The Group provides a variety of products and services by organically integrating its expertise cultivated through its internal and external network in each business sector and trading company functions such as business transactions, information collection, market development, business development and formation, risk management, and logistics.

Moreover, the Group consists of business segments by product and service based on the sales department and it has set the five segments, "ICT Solution," "Electronics & Devices," "Foods, Meat & Grain," "Steel, Materials & Plant," and "Motor Vehicles & Aerospace," as its reportable segments.

Based on the reorganization as of April 1, 2024, the ICT solution business, which was previously included in the "Electronics & Devices" segment, was reclassified as the "ICT Solution" segment and the new classification shall be applied from the first three months under review. In addition, the Machine Tools & Industrial Machinery business, which was previously included in the "Steel, Materials & Plant" segment, was reclassified into the "Motor Vehicles & Aerospace" segment, and the Kanematsu Sustech Corporation's business, which was previously included in "Electronics & Devices" segment and "Other" was classified as the environment-related business in the "Steel, Materials & Plant" segment. As for the segment information for the nine months ended December 31, 2023, the information prepared based on the classification of the reportable segments after the change has been disclosed.

(2) Information on reportable segments

The accounting treatment for the reported business segments is the same as the accounting policies applied to the consolidated financial statements for the previous fiscal year.

Inter-segment revenue and transfers are determined according to transaction prices with outside customers.

I. For the nine months ended December 31, 2023

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	57,795	170,191	258,310	159,239	79,034	724,571	1,473	—	726,045
Inter-segment	1,185	385	1	84	3	1,660	159	(1,820)	—
Total revenues	58,981	170,577	258,311	159,323	79,038	726,231	1,633	(1,820)	726,045
Operating profit (loss)	8,579	5,531	7,357	8,000	3,624	33,093	75	(36)	33,132
Segment profit (loss)	5,752	3,192	3,611	1,651	2,099	16,307	215	32	16,555

(Note 1) “Other” is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- The adjustment of ¥(36) million for segment profit (loss) includes an inter-segment elimination of ¥(36) million.
- The adjustment of ¥32 million for segment profit (loss) includes an inter-segment elimination of ¥(39) million and corporate expenses that are not allocated to any particular segment of ¥72 million. Corporate expenses include the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.

II. For the nine months ended December 31, 2024

(Million yen)

	Reported segments						Other (Note 1)	Adjustment (Note 2)	Consolidated
	ICT Solution	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue									
External	65,344	197,889	272,668	150,894	93,315	780,112	1,632	—	781,744
Inter-segment	1,264	161	0	28	4	1,460	171	(1,631)	—
Total revenues	66,609	198,050	272,669	150,923	93,319	781,572	1,804	(1,631)	781,744
Operating profit (loss)	9,085	10,036	5,735	4,808	3,811	33,476	(123)	84	33,437
Segment profit (loss)	6,010	6,702	2,317	1,764	2,484	19,278	(14)	150	19,414

(Note 1) “Other” is a business segment that is not included in the reportable segments and includes the logistics and insurance service business.

(Note 2) Adjustments are as follows.

- The adjustment of ¥84 million for segment profit (loss) includes an inter-segment elimination of ¥84 million.
- The adjustment of ¥150 million for segment profit (loss) includes an inter-segment elimination of ¥84 million and corporate expenses that are not allocated to any particular segment of ¥66 million. Corporate expenses include the difference between actual income taxes incurred by the Company and income taxes allocated to each segment by an internal calculation method.