

February 3, 2022

Summary of Consolidated Financial Results for the Third Quarter Ended December 31, 2021 [Japan GAAP]

Name of Company:	KAGA ELECTRONICS CO., LTD.
Stock Code:	8154
Stock Exchange Listing:	Tokyo Stock Exchange, First Section
URL:	https://www.taxan.co.jp/
Representative	Title: President & COO
	Name: Ryoichi Kado
Contact Person	Title: Managing Director, Chief of Administration Headquarters
	Name: Eiji Kawamura
Phone:	+81-(0)3-5657-0111
Date of filing of quarterly securities report (tentative):	February 14, 2022
Date of commencement of dividend payment (tentative):	-
Quarterly earnings supplementary explanatory documents:	Yes
Quarterly earnings presentation:	None

(Yen in millions, rounded down)

1. Financial results for the third quarter of the fiscal year ending March 2022 (April 1, 2021 – December 31, 2021)

(1) Result of operations (Consolidated, year-to-date)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Third quarter ended December 2021	352,684	19.9	14,658	95.0	14,886	105.9	10,414	(18.2)
Third quarter ended December 2020	294,266	(13.1)	7,517	(2.8)	7,230	(9.3)	12,728	158.5

Note: Comprehensive income: 3Q of FY3/2022: 12,866million yen [(0.4)%] 3Q of FY3/2021: 12,921 million yen [156.2%]

	Earnings per share	Earnings per share (diluted)
	Yen	Yen
Third quarter ended December 2021	387.76	-
Third quarter ended December 2020	463.49	-

Note: The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. was applied from the first quarter of the current fiscal year.

(2) Financial Position (Consolidated)

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of December 31, 2021	261,202	101,719	37.3
As of March 31, 2021	237,004	95,062	38.4

Reference: Shareholders' equity As of December 31, 2021: 97,323 million yen As of March 31, 2021: 90,967 million yen

2. Dividends

	Dividend per share				
	1Q	2Q	3Q	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 2021	-	30.00	-	50.00	80.00
Fiscal year ending March 2022	-	45.00	-	-	-
Fiscal year ending March 2022 (Forecast)	-	-	-	65.00	110.00

Notes: Change in the dividend forecast from the latest announcement: Yes

Breakdown of year-end dividend for FY3/2021 : Ordinary dividend: 30.00 yen; Extraordinary dividend: 20.00 yen

Breakdown of interim dividend for FY3/2022 : Ordinary dividend 40.00 yen; Extraordinary dividend: 5.00 yen

Breakdown of year-end dividend for FY3/2022 (forecast) : Ordinary dividend: 40.00 yen; Extraordinary dividend: 25.00 yen

With respect to the revision of dividend forecast, please refer to "Notice regarding upward revision to full-year earnings and dividends forecasts" announced today (February 3, 2022).

3. Forecast for the fiscal year ending March 2022 (Consolidated, April 1, 2021 – March 31, 2022)

(Percentage figures represent year on year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	475,000	12.5	17,500	52.6	18,000	60.1	12,000	5.3	449.13

Note: Change in the forecast from the latest announcement: Yes

With respect to the revision of consolidated performance forecast, please refer to "Notice regarding upward revision to full-year earnings and dividends forecasts" announced today (February 3, 2022).

* Notes

(1) Changes in significant subsidiaries (Changes in specified subsidiaries accompanied by changes in the scope of consolidation): None

(2) Use of accounting methods specifically for the preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting policies, estimates, and retrospective restatement

(a) Changes due to revision of accounting standards : Yes

(b) Changes other than (a) : None

(c) Changes in accounting estimates : None

(d) Retrospective restatement : None

Note: For more information, please refer "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to quarterly consolidated financial statements (Changes in accounting policies)" on page 10.

(4) Number of shares outstanding (common stock)

(a) Shares outstanding (including treasury shares)

As of December 31, 2021: 28,702,118 As of March 31, 2021: 28,702,118

(b) Treasury shares

As of December 31, 2021: 2,453,692 As of March 31, 2021: 1,229,877

(c) Average number of shares (quarterly consolidated during the period)

Period ended December 31 2021: 26,858,954 Period ended December 31, 2020: 27,462,845

* The quarterly audit procedures by a certified public accountant or auditing firm are not applicable to this Quarterly Financial Results report.

* Cautionary statement regarding forecasts of operating results and special notes

(Caution regarding forward-looking statements)

Forward-looking statements in these materials are based on information available to management at the time this report was prepared and assumptions that management believes are reasonable. Actual results may differ significantly from these statements for a number of reasons. For conditions as assumption for earnings forecast and cautionary statement regarding use of the forecast, please see "1. Results of Operations, (3) Qualitative information on consolidated earnings forecast" on page 4.

(How to obtain supplementary materials on quarterly financial results)

The Company also plans to post the supplementary materials on quarterly financial results, on its website promptly after announcing financial results.

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1. Results of Operations

(1) Overview of consolidated business performance

During the third quarter of the consolidated fiscal period under review, the Japanese and overseas economies continued to recover with the resumption of economic activities owing to the progress in vaccinations and easing of restrictions on movement. While the COVID-19 resurgence is causing a prolongation of various issues including a rise in material costs, a shortage of parts, and disruptions in distribution, capital investment and manufacturing activity generally maintained a steady trend.

In the electronics industry to which the Group belongs, the tight supply of semiconductors and electronic parts persisted in a broad range of areas, such as automotive products, air-conditioning equipment, communications, and industrial equipment, while unit prices continued to rise. Demand, however, remained robust on the back of a recovery from the slump caused by COVID-19.

As a result of these factors, net sales in the third quarter of the consolidated fiscal year under review increased by 19.9% year on year to 352,684 million yen, with the Group's core electronic components business continuing to be the driver of this growth since the first quarter.

In terms of income, the Company's continued efforts in facilitation of teleworking and other measures for work style reform amid the COVID-19 pandemic as well reduction and control of expenses, combined with increases in net sales and gross profit, led to a year-on-year increase of 95.0% in operating income, to 14,658 million yen, and a year-on-year increase of 105.9% in ordinary income, to 14,886 million yen. Profit attributable to owners of parent fell 18.2% year on year to 10,414 million yen, due to the absence of the 7,963 million yen "gain on bargain purchase" associated with corporate acquisition executed in the previous fiscal year and posted as extraordinary income. Operating income and ordinary income both achieved record highs for the same period.

The Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020), etc. was applied from the first quarter of the current fiscal year. This lowered net sales in the third quarter by 3,723million yen. For details, refer to "2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to quarterly consolidated financial statements (Changes to accounting policies)."

The fiscal year ending in March 2022 is the final year of Medium-Term Management Plan 2021 (2019–2021), the Group's three-year management plan that began in April 2019. With smooth implementation of PMI (post-merger integration) at acquired companies, which has contributed to profit, in addition to sales expansion in the electronic components business, achievement of profit targets in terms of both operating income and ROE is projected to substantially exceed the plan.

On November 25, 2021, the Group announced two management plans formulated as the Group's growth guidelines for the next three years, to be implemented subsequently to the accomplishment of the current management plan. These are "Medium-Term Management Plan 2024," which runs to the fiscal year ending March 2025, and "Medium- to Long-Term Sustainability Management Plan." In the next Medium-Term Management Plan, the Group has set management targets of "750 billion yen in net sales, 20.0 billion yen in operating income, and ROE of 8.5% or higher." The Group will continue its efforts to become "Japan's No. 1 corporate group in the industry and a competitive world-class company."

	FY 2021/3 3Q	FY 2022/3 3Q	YoY	
	(April 1, 2020 – December 31, 2020)	(April 1, 2021 – December 31, 2021)	(Million yen)	
Net sales	(Million yen) 294,266	(Million yen) 352,684	58,418	19.9%
Gross profit (Margin)	33,646 11.4%	42,761 12.1%	9,114 0.7pt	27.1% –
SG&A	26,129	28,102	1,973	7.6%
Operating income	7,517	14,658	7,141	95.0%
Ordinary income	7,230	14,886	7,655	105.9%
Profit before income taxes	14,842	14,706	(135)	(0.9%)
Profit attributable to owners of parent	12,728	10,414	(2,313)	(18.2%)
Exchange Rate (Average rate during the year) USD	106.11Yen	111.10Yen	4.99Yen	–

Business segment performance was as follows.

- (a) Electronic components (Sale of semiconductors and general electronic components, development, manufacture, and sale through the electronics manufacturing service (EMS), and other activities)

The business placed top priority on securing volume in the face of prolonged constraints on the supply of semiconductors and electronic parts, and met robust demand from a wide range of industries by leveraging the Company's procurement capabilities as an independent trading company. The steady progress in PMI at acquired companies including KAGA FEI Co., Ltd. and EXCEL Co., Ltd. contributed to profit growth in this business. In the EMS business, the automotive, industrial equipment, and medical sectors continued to enjoy strong performance. Lockdowns to combat the spread of COVID-19 and production line stoppages due to a shortage of electronic parts occurred at some plants, but the Company endeavored to mitigate the impact by implementing thorough process control through close cooperation with customers' plants and other measures.

As a result, net sales increased by 26.2% year on year to 311,412 million yen, and segment income increased by 140.0% year on year to 1,302 million yen.

Since the fiscal year of the overseas subsidiaries of EXCEL, which became consolidated in April 2020, ends in December, earnings for January–March 2020, prior to consolidation, were not posted as quarterly data for the previous fiscal year, but the January–March 2021 results were posted for this consolidated fiscal year

(Note) Electronics Manufacturing Service: Provision of product development and manufacturing services on an outsourcing basis.

- b) Information Equipment (Sales of PCs, PC peripherals, home electric appliances, photograph and imaging products, original brand products, and other products)

In this business, sales of PC peripherals such as security software remained strong. However, sales of PCs to corporations were subdued given the abatement of demand associated with the shift to remote working and the impact of product supply difficulties due to a shortage of electronic parts.

The impact of delays in work, resulting from the late delivery of products and materials due to parts shortages, was also felt in the equipment installation business for LED lighting, network devices, etc.

As a result, net sales decreased by 22.5% year on year to 26,301 million yen, and segment income decreased by 30.6% year on year to 1,216 million yen.

- (c) Software (Production of computer graphics, planning and development of amusement products, and other activities)

In this business, demand from CG development for smartphone games was firm against the backdrop of pandemic-induced stay-at-home demand. However, expenses increased due in part to efforts made in meeting delivery requirements.

As a result, net sales decreased by 8.2% year on year to 1,841 million yen, and segment loss of 109 million yen was recorded (106 million yen of segment income in the same period of the previous fiscal year).

- (d) Others (Repair and support for electronics equipment, and sales of amusement equipment and sports goods, and others)

In this business, the recycling business for PC, PC peripheral, and other equipment was strong, as demand for reused and recycled products increased amid continuing supply difficulties for finished products due to the shortage in electronic parts.

As a result, net sales increased by 13.0% year on year to 13,129 million yen, and segment income increased by 217.5% year on year to 473 million yen.

< Financial Results by Business Segment >

		FY 2021/3 3Q (April 1, 2020 – December 31, 2020)	FY 2022/3 3Q (April 1, 2021 – December 31, 2021)	YoY	
		(Million yen)	(Million yen)	(Million yen)	
Electronic Components	Net sales	246,704	311,412	64,708	26.2%
	Segment income	5,418	13,002	7,583	140.0%
Information Equipment	Net sales	33,937	26,301	(7,636)	(22.5%)
	Segment income	1,753	1,216	(537)	(30.6%)
Software	Net sales	2,004	1,841	(163)	(8.2%)
	Segment income	106	(109)	(216)	–
Others	Net sales	11,619	13,129	1,510	13.0%
	Segment income	149	473	324	217.5%
Total	Net sales	294,266	352,684	58,418	19.9%
	Segment income	7,517	14,658	7,141	95.0%

Note: "Segment income" shows unadjusted figures for each business segment and adjusted figures for the total.

(2) Overview of financial conditions

Assets, liabilities and net assets

Total assets as of December 31, 2021, increased by 24,197 million yen from March 31, 2021, to 261,202 million yen.

Current assets increased by 23,396 million yen from March 31, 2021, to 223,575 million yen. This is primarily due to increases of 16,440 million yen in merchandise and finished goods, and 5,936 million yen in raw materials and supplies.

Non-current assets increased by 801 million yen from March 31, 2021, to 37,626 million yen. This is primarily due to a 635 million yen increase in investment securities.

Liabilities increased by 17,540 million yen from March 31, 2021, to 159,483 million yen. This is primarily due to increases of 3,456 million yen in notes and accounts payable - trade, and 14,342 million yen in short-term loans payable.

Net assets increased by 6,656 million yen from March 31, 2021, to 101,719 million yen. This is primarily due to an increase of 10,414 million yen in profit attributable to owners of parent.

(3) Qualitative information on consolidated performance forecast

Regarding the full-year earnings forecast for the fiscal year ending March 31, 2022, although uncertainty about the future prevails such as the impact of the new COVID-19 variant (Omicron) that is raging in Japan and around the world, currency movements, and expectations of US interest rate rises, the Company has revised its full-year forecasts announced on November 4, 2021, in light of progress achieved in earnings in the nine months of the fiscal year under review as well as the outlook for the future.

For details, please refer to "Notice regarding revision to full-year earnings and dividend forecasts (upward revision)" released today (February 3, 2022).

Revisions to consolidated earnings forecasts for the fiscal year ended March 31, 2022
(from April 1, 2021 to March 31, 2022)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	yen
Previous forecast (A)	470,000	15,000	14,500	9,000	336.84
Revised forecast (B)	475,000	17,500	18,000	12,000	449.13
Difference (B-A)	5,000	2,500	3,500	3,000	–
Percent change (%)	1.1	16.7	24.1	33.3	–
(Reference) Results for the fiscal year ended March 31, 2021	422,365	11,467	11,241	11,399	415.07

Revision of dividend forecast

Annual dividends			
	Second quarter end	Year-end	Total
Previous forecast (Announced on November 4, 2021)		45 yen (Ordinary dividend 40 yen) (Extraordinary dividend 5 yen)	90 yen (Ordinary dividend 80 yen) (Extraordinary dividend 10 yen)
Revised forecast		65 yen (Ordinary dividend 40 yen) (Extraordinary dividend 25 yen)	110 yen (Ordinary dividend 80 yen) (Extraordinary dividend 30 yen)
Dividends for the current fiscal year	45 yen (Ordinary dividend 40 yen) (Extraordinary dividend 5 yen)		
Dividends for the previous fiscal year (Fiscal year ended March 31, 2020)	30 yen (Ordinary dividend 30 yen)	50 yen (Ordinary dividend 30 yen) (Extraordinary dividend 20 yen)	80 yen (Ordinary dividend 60 yen) (Extraordinary dividend 20 yen)

Note: The above earnings forecasts are based on the information currently available to the Company on the date of release and certain assumptions deemed reasonable. Actual results may vary from the forecast for a variety of reasons.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly consolidated balance sheet

	(Million yen)	
	Fiscal year ended	Third quarter ended
	March 2021	December 2021
	(As of March 31, 2021)	(As of December 31, 2021)
ASSETS		
Current assets		
Cash and deposits	45,636	40,914
Notes and accounts receivable – trade	103,773	100,302
Electronically recorded monetary claims – operating	4,621	8,229
Securities	302	264
Merchandise and finished goods	29,727	46,167
Work in process	1,280	2,351
Raw materials and supplies	6,940	12,877
Other	9,921	12,701
Allowance for doubtful accounts	(2,024)	(233)
Total current assets	200,179	223,575
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,021	6,586
Machinery, equipment and vehicles, net	4,642	5,397
Tools, furniture and fixtures, net	1,378	1,034
Land	5,074	5,074
Construction in progress	107	106
Total property, plant and equipment	18,225	18,199
Intangible assets		
Goodwill	209	124
Software	2,338	2,778
Other	62	45
Total intangible assets	2,609	2,949
Investments and other assets		
Investment securities	10,771	11,407
Deferred tax assets	2,252	2,144
Guarantee deposits	931	903
Insurance funds	910	914
Other	1,629	3,416
Allowance for doubtful accounts	(504)	(2,307)
Total investments and other assets	15,990	16,477
Total non-current assets	36,825	37,626
Total assets	237,004	261,202

(Million yen)

	Fiscal year ended March 2021 (As of March 31, 2021)	Third quarter ended December 2021 (As of December 31, 2021)
LIABILITIES		
Current liabilities		
Notes and accounts payable - trade	79,854	83,311
Short-term loans payable	10,800	25,143
Accrued expenses	5,957	6,211
Income taxes payable	2,136	2,123
Provision for directors' bonuses	126	72
Other	9,642	9,219
Total current liabilities	108,517	126,082
Non-current liabilities		
Long-term loans payable	25,166	25,143
Deferred tax liabilities	1,685	1,943
Provision for directors' retirement benefits	106	119
Net defined benefit liability	2,272	2,277
Asset retirement obligations	343	352
Other	3,850	3,565
Total non-current liabilities	33,424	33,401
Total liabilities	141,942	159,483
NET ASSETS		
Shareholders' equity		
Capital stock	12,133	12,133
Capital surplus	14,327	14,320
Retained earnings	64,568	72,436
Treasury shares	(1,984)	(5,641)
Total shareholders' equity	89,045	93,249
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,378	1,738
Deferred gains or losses on hedges	50	16
Foreign currency translation adjustment	470	2,282
Remeasurements of defined benefit plans	21	36
Total accumulated other comprehensive income	1,921	4,073
Non-controlling interests	4,095	4,395
Total net assets	95,062	101,719
Total liabilities and net assets	237,004	261,202

(2) Quarterly consolidated statements of income and comprehensive income

For the third quarter (April 1, 2021 – December 31, 2021)

(Million yen)

	Third quarter ended December 2020 (April 1, 2020 – December 31, 2020)	Third quarter ended December 2021 (April 1, 2021 – December 31, 2021)
Net sales	294,266	352,684
Cost of sales	260,619	309,923
Gross profit	33,646	42,761
Selling, general and administrative expenses	26,129	28,102
Operating income	7,517	14,658
Non-operating income		
Interest income	97	102
Dividends income	169	146
Commission fee	126	135
Foreign exchange gains	–	143
Other	444	506
Total non-operating income	838	1,034
Non-operating expenses		
Interest expenses	227	222
Share of loss of entities accounted for using equity method	424	499
Foreign exchange losses	405	–
Other	66	84
Total non-operating expenses	1,124	806
Ordinary income	7,230	14,886
Extraordinary income		
Gain on sales of non-current assets	1	7
Gain on sales of investment securities	39	118
Gain on bargain purchase	7,963	–
Gain on transfer of business	7	7
Reversal of estimated losses associated with fund leakage incident that involved our American subsidiary	–	174
Other	20	17
Total extraordinary income	8,031	324
Extraordinary loss		
Impairment loss	–	51
Loss on retirement of non-current assets	24	11
Loss on valuation of investment securities	311	60
Loss on liquidation of subsidiaries and associates	–	174
Extra retirement payments	23	–
Provision of allowance for doubtful accounts	–	175
Other	60	32
Total extraordinary loss	420	504
Profit before income taxes	14,842	14,706
Income taxes - current	1,653	3,626
Income taxes - deferred	537	412
Total income taxes	2,191	4,039
Profit	12,650	10,667
Profit attributable to owners of parent	12,728	10,414
Profit (loss) attributable to non-controlling interests	(77)	252

	(Million yen)	
	Third quarter ended December 2020 (April 1, 2020 – December 31, 2020)	Third quarter ended December 2021 (April 1, 2021 – December 31, 2021)
Other comprehensive income		
Valuation difference on available-for-sale securities	945	359
Deferred gains or losses on hedges	(43)	(34)
Foreign currency translation adjustment	(730)	1,765
Remeasurements of defined benefit plans, net of tax	21	13
Share of other comprehensive income of associates accounted for using equity method	78	94
Total other comprehensive income	270	2,199
Comprehensive income	12,921	12,866
Comprehensive income attributable to owners of parent	12,994	12,567
Comprehensive income attributable to non-controlling interests	(72)	299

(3) Notes to quarterly consolidated financial statements

(Notes to going concern assumptions)

Not applicable

(Significant change in shareholders' equity)

The Company has acquired 1,231,700 treasury shares based on a resolution passed at the Board of Directors' meeting held on August 5, 2021. As a result, treasury stock increased by 3,674 million yen in the third quarter of the consolidated fiscal period under review, and the amount of treasury stock as of December 31, 2021, was 5,641 million yen.

(Changes to accounting policies)

(Application of the Accounting Standard for Revenue Recognition, etc.)

The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. effective from the beginning of the first quarter of the current fiscal year, and it recognizes revenue as the amount expected to be received in exchange for goods or services when control over the promised goods and services passes over to the customer.

As a result, in the case of a performance obligation in which the promise with the customer involves the supply of goods or services provided by another party, the net amount received as the agent is recognized as revenue.

The application of the Accounting Standard for Revenue Recognition, etc. is subject to the transitional treatment provided for in the proviso of Paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the third quarter, was added to or subtracted from the beginning balance of retained earnings of the third quarter, and thus the new accounting policy was applied from the beginning balance.

However, the method provided for in Paragraph 86 of the Accounting Standard for Revenue Recognition was applied so that the new accounting policy was not retrospectively applied to contracts where recognitions of nearly all the revenue amounts for periods prior to the beginning of the third quarter were subject to the previous treatment.

As a result, compared to the previous method, in this third quarter, net sales decreased by 3,723 million yen, and the impact on operating income, ordinary income, and profit before income taxes was minimal. The impact of retained earnings on the balance at the beginning of the period was also minimal.

(Application of Accounting Standards for Fair Value Measurement)

The "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019) was applied from the start of the first quarter of this consolidated fiscal year, and in accordance with the transitional treatment set forth in Article 19 of "Accounting Standard for Fair Value Measurement" and Article 44-2 of "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019), the Company will continue to apply new accounting policies prescribed by "Accounting Standard for Fair Value Measurement" and other standards into the future. The effects of this adoption on the quarterly consolidated financial statements are immaterial.

(Additional information)

(Accounting estimates associated with the COVID-19 pandemic)

Accounting estimates such as of impairment of non-current assets and collectability of deferred tax assets are made based on information that is available as of December 31, 2021 and do not include significant changes from the financial statement for the previous consolidated fiscal year.

(Segment information)

I. For the third quarter ended December 2020 (April 1, 2020 – December 31, 2020)

Information about net sales and income (loss) by reportable segments

(Million yen)

	Reportable segments					Adjustment (Note 1)	Consolidated (Note 2)
	Electronic Components	Information Equipment	Software	Others	Total		
Net sales:							
Sales to external customers	246,704	33,937	2,004	11,619	294,266	–	294,266
Inter-segment sales or transfers	1,826	3,532	601	3,272	9,232	(9,232)	–
Total	248,530	37,469	2,606	14,892	303,498	(9,232)	294,266
Segment income	5,418	1,753	106	149	7,427	89	7,517

- Notes: 1. Adjustment in segment income of 89 million yen includes 89 million yen for elimination of inter-segment trade.
2. Segment income is adjusted for operating income on the quarterly consolidated statements of income and comprehensive income.

II. For the third quarter ended December 2021 (April 1, 2021 – December 31, 2021)

Information about net sales and income (loss) by reportable segments

(Million yen)

	Reportable segments					Adjustment (Note 1)	Consolidated (Note 2)
	Electronic Components	Information Equipment	Software	Others	Total		
Net sales:							
Sales to external customers	311,412	26,301	1,841	13,129	352,684	–	352,684
Inter-segment sales or transfers	2,189	3,890	528	4,873	11,482	(11,482)	–
Total	313,601	30,191	2,370	18,003	364,166	(11,482)	352,684
Segment income	13,002	1,216	(109)	473	14,581	76	14,658

- Notes: 1. Adjustment in segment income of 76 million yen includes 76 million yen for elimination of inter-segment trade.
2. Segment income is adjusted for operating income on the quarterly consolidated statements of income and comprehensive income.