

Consolidated Financial Results
for the Three Months Ended March 31, 2022
[IFRS]



May 13, 2022

Company name : Sumitomo Rubber Industries, Ltd.
 Stock exchange listing : Tokyo Stock Exchange
 Code number : 5110
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 Scheduled date of filing quarterly securities report : May 16, 2022
 Scheduled date of commencing dividend payments : -
 Supplementary documents for quarterly financial results : Yes
 Quarterly financial results briefing session : Yes (for institutional investors and analysts)

(Amounts of less than one millions of yen are rounded to the nearest unit.)

1. Consolidated Financial Results for the Three Months Ended March 31, 2022 (January 1, 2022 to March 31, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended										
March 31, 2022	250,501	17.2	14,784	(8.8)	14,178	(9.0)	11,754	10.2	43,432	47.9
March 31, 2021	213,688	12.0	16,202	468.8	15,584	466.1	10,669	-	29,374	-

(Note) “Business profit” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

	Basic profit per share	Diluted profit per share	Business profit to sales revenue ratio
Three months ended	Yen	Yen	%
March 31, 2022	44.69	-	5.9
March 31, 2021	40.57	-	7.6

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of parent	Ratio of equity attributable to owners of parent	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
March 31, 2022	1,168,070	548,950	535,998	45.9	2,038.06
December 31, 2021	1,086,169	513,543	501,540	46.2	1,907.03

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Three months ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2022	(614)	(15,720)	21,507	85,770
March 31, 2021	22,106	(11,808)	(3,469)	83,891

2. Dividends

	Annual dividends				
	1st quarter - end	2nd quarter - end	3rd quarter - end	Year - end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
December 31, 2021	-	25.00	-	30.00	55.00
December 31, 2022	-				
Fiscal year ending					
December 31, 2022 (Forecast)		20.00	-	25.00	45.00

(Note) Revision to the dividends forecast announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2022 to December 31, 2022)

(% indicates changes from the previous corresponding period.)

	Sales revenue		Business profit		Operating profit		Profit attributable to owners of parent		Basic profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	530,000	20.4	15,000	(50.1)	14,000	(51.0)	13,000	(36.6)	49.43
Full year	1,140,000	21.8	42,000	(19.2)	39,500	(19.7)	29,000	(1.6)	110.27

(Note) Revision to the financial results forecast announced most recently: Yes

Notes:

- (1) Changes in Significant Subsidiaries during the Three Months Ended March 31, 2022
(changes in specified subsidiaries resulting in changes in scope of consolidation) : None
- (2) Changes in accounting policies and changes in accounting estimates
- 1) Changes in accounting policies required by IFRS : None
 - 2) Changes in accounting policies other than 1) : None
 - 3) Changes in accounting estimates : None
- (3) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the period (including treasury stock)
 - March 31, 2022 : 263,043,057 shares
 - December 31, 2021 : 263,043,057 shares
 - 2) Total number of treasury stock at the end of the period
 - March 31, 2022 : 48,255 shares
 - December 31, 2021 : 47,604 shares
 - 3) Average number of shares during the period
 - Three months ended March 31, 2022 : 262,995,070 shares
 - Three months ended March 31, 2021 : 263,000,671 shares

* Quarterly financial statements are outside the scope of the quarterly review procedures to be conducted by certified public accountants or auditing firms.

* Explanation of the proper use of financial results forecast and other notes

The earnings projections and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to Sumitomo Rubber Industries, Ltd. (the “Company”) and its group companies (collectively, the “Group”) and do not constitute any promises by the Company that they will be realized. Actual results could differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.

With regard to the matters related to the underlying assumptions for the above forecasts, please refer to page 4 of the attached documents of the Consolidated Financial Results for the Period under Review, “1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Consolidated Financial Results Forecast and Other Future Forecast.”

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Operating Results

	For the three months ended March 31, 2021	For the three months ended March 31, 2022	Change in ratio
	Millions of yen	Millions of yen	%
Sales revenue	213,688	250,501	17.2
Tires	180,305	210,866	16.9
Sports	23,327	29,685	27.3
Industrial and Other Products	10,056	9,950	(1.1)
Business profit	16,202	14,784	(8.8)
Tires	13,146	10,454	(20.5)
Sports	2,468	3,980	61.3
Industrial and Other Products	576	338	(41.5)
Adjustments	12	12	-
Operating profit	15,584	14,178	(9.0)
Profit attributable to owners of parent	10,669	11,754	10.2

(Note) “Business profit” is “Sales revenue” subtracted by “Cost of sales” and “Selling, general and administrative expenses.”

Foreign exchange rates applied

	For the three months ended March 31, 2021	For the three months ended March 31, 2022	Increase (Decrease)
	Yen	Yen	Yen
Yen / U.S. Dollar	106	116	10
Yen / Euro	128	130	2

During the three months ended March 31, 2022, the economic environment saw the effects of the situation in Ukraine, in addition continuing to face harsh conditions in some areas due to the impact of COVID-19, and its outlook remained uncertain.

In the business environment surrounding the Group, despite some positive signs, such as the recovery trend in many markets including the US and European markets, in addition to the improvement in the export environment due to the weakening of the yen against other currencies, there was no sign of improvement in the shortage of semiconductors and the disruption of global logistics, and the impact of soaring freight costs and the rising prices of raw materials continued.

Under these circumstances, the Group strongly promoted company-wide projects that aim to reinforce our business foundation with the goal of accomplishing the Mid-Term Plan, which sets 2025 as the target year. At the same time, we worked to strengthen our competitive advantage in a global structure through such efforts as developing high-performance products that meet the needs of customers and raising their brand value with the aim of maximizing the effects of the manufacturing and sales bases we have established in major markets around the world.

As a result, sales revenue of the Group increased 17.2% from the same period of the previous fiscal year to ¥250,501 million, business profit decreased 8.8% to ¥14,784 million, operating profit decreased 9.0% to ¥14,178 million and profit attributable to owners of parent increased 10.2% to ¥11,754 million.

Business performance by business segment was as follows.

Tire Business

Sales revenue in the tire business increased 16.9% from the same period of the previous fiscal year to ¥210,866 million, and business profit decreased 20.5% to ¥10,454 million.

In the domestic original equipment market, sales fell below the level of the same period of the previous fiscal year mainly because of the effects of a decrease in automobile production by auto manufacturers due to the global shortage of semiconductors.

In the domestic replacement market, sales of new products, namely the global flagship tires, and premium products were strong in the summer tire category. All-season tires, which are well received as a product less susceptible to seasonal changes and offering safety and reliability, also saw a growth in sales, as they attracted more interest, due to the snowfall in the urban areas at the beginning of this year. Sales of winter tires were also strong due to the effects of snowfall. As a result, sales exceeded the level of the same period of the previous fiscal year.

In the overseas original equipment market, there was the impact of the global shortage of semiconductors resulting in a decrease in automobile production, but sales exceeded the same period of the previous fiscal year, as orders received recovered compared to the same period of the previous fiscal year.

In the overseas replacement market, sales fell below the level of the same period of the previous fiscal year in the Asia and Oceania region, due to sluggish sales in China as a result of its zero-COVID policy, among others, as well as the effects of the restrictions on activities in Indonesia under COVID-19. In Europe, we sold more units due to the effects of promotions such as racing activities, as the demand for tires recovered. In the Americas region, while sales volume declined as a result of cutting back on the sales of low-profit products in light of soaring freight costs, we were able to improve our product mix in North America. In South and Central America, we increased sales in response to robust local demand by leveraging the advantage of selling locally-produced products.

As a result, sales revenue in the tire business exceeded the level of the same period of the previous fiscal year, but business profit decreased.

Sports Business

Sales revenue in the sports business increased 27.3% from the same period of the previous fiscal year to ¥29,685 million, and business profit increased 61.3% from the same period of the previous fiscal year to ¥3,980 million.

In the golf goods market, despite the shortage of parts caused by the rise in global golf demand, sales in each of the major markets grew, due to the increasing number of users of golf courses, and sales revenue exceeded the level of the same period of the previous fiscal year.

Similarly, in the tennis goods markets, sales revenue exceeded the level of the same period of the previous fiscal year.

In the wellness business, despite the modest pace of recovery mainly due to the effects of the focused measures to prevent the spread of COVID-19, sales revenue exceeded the level of the same period of the previous fiscal year.

As a result, sales revenue and business profit in the sports business exceeded the level of the same period of the previous fiscal year.

Industrial and Other Products Business

Sales revenue in the industrial and other products business decreased 1.1% from the same period of the previous fiscal year to ¥9,950 million, and business profit decreased 41.5% to ¥338 million.

Although orders received for rubber parts for medical applications, precision rubber parts for office machines, and infrastructure-based products increased, sales of disposable gloves declined in Japan.

As a result, sales revenue and business profit in the industrial and other products business fell below the level of the same period of the previous fiscal year.

(2) Financial Position

	As of December 31, 2021	As of March 31, 2022	Increase (Decrease)
	Millions of yen	Millions of yen	Millions of yen
Total assets	1,086,169	1,168,070	81,901
Total equity	513,543	548,950	35,407
Total equity attributable to owners of parent	501,540	535,998	34,458
Total equity attributable to owners of parent ratio (%)	46.2	45.9	(0.3)
Equity attributable to owners of parent per share	1,907.03 yen	2,038.06 yen	131.03 yen

The financial position of the Group as of March 31, 2022 was as follows.

Total assets increased ¥81,901 million from the end of the previous fiscal year to ¥1,168,070 million mainly as a result of increase in inventories although there was decrease in trade and other receivables due to seasonal factors.

Total liabilities increased ¥46,494 million from the end of the previous fiscal year to ¥619,120 million mainly as a result of an increase in interest-bearing debt.

Total equity as of March 31, 2022 increased ¥35,407 million from the end of the previous fiscal year to ¥548,950 million, of which equity attributable to owners of parent accounted for ¥535,998 million, and non-controlling interest accounted for ¥12,952 million.

As a result, equity attributable to owners of parent ratio was 45.9%, and equity attributable to owners of parent per share was ¥2,038.06.

(3) Consolidated Financial Results Forecast and Other Future Forecast

As for the forecast of consolidated financial results for six months ending June 30, 2022 and the fiscal year ending December 31, 2022, although the sales revenue is expected to exceed the previous financial results forecast due to the impact of the weakening of the yen against other currencies and revision of the selling price, the impact of soaring freight costs and the rising prices of raw materials is significant, therefore the business profit has not changed from the previous forecast and we have decided to revise consolidated financial results forecast is as follows.

Consolidated Financial Results Forecast for Six Months Ending June 30, 2022 (January 1, 2022 to June 30, 2022)

	Forecast	Previous forecast	Increase (Decrease)	Change in ratio	(Reference) Results for the same period of the previous year
	Millions of yen	Millions of yen	Millions of yen	%	Millions of yen
Sales revenue	530,000	500,000	30,000	6.0	440,082
Tires	451,500	423,000	28,500	6.7	369,289
Sports	59,000	57,500	1,500	2.6	51,439
Industrial and Other Products	19,500	19,500	-	-	19,354
Business profit	15,000	12,000	3,000	25.0	30,088
Tires	8,500	6,000	2,500	41.7	23,477
Sports	6,000	5,000	1,000	20.0	5,518
Industrial and Other Products	500	1,000	(500)	(50.0)	1,069
Adjustments	-	-	-	-	24
Operating profit	14,000	10,500	3,500	33.3	28,576
Profit attributable to owners of parent	13,000	6,000	7,000	116.7	20,501

Foreign exchange rates applied

	Forecast	Previous forecast	Increase (Decrease)	(Reference) Results for the same period of the previous year
	Yen	Yen	Yen	Yen
Yen / U.S. Dollar	121	114	7	108
Yen / Euro	134	129	5	130

Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2022 to December 31, 2022)

	Forecast	Previous forecast	Increase (Decrease)	Change in ratio	(Reference) Results for the same period of the previous year
	Millions of yen	Millions of yen	Millions of yen	%	Millions of yen
Sales revenue	1,140,000	1,050,000	90,000	8.6	936,039
Tires	991,500	903,500	88,000	9.7	795,045
Sports	107,500	105,500	2,000	1.9	101,429
Industrial and Other Products	41,000	41,000	-	-	39,565
Business profit	42,000	42,000	-	-	51,975
Tires	32,000	32,500	(500)	(1.5)	41,398
Sports	8,000	7,000	1,000	14.3	8,604
Industrial and Other Products	2,000	2,500	(500)	(20.0)	1,945
Adjustments	-	-	-	-	28
Operating profit	39,500	39,500	-	-	49,169
Profit attributable to owners of parent	29,000	24,500	4,500	18.4	29,470

Foreign exchange rates applied

	Forecast	Previous forecast	Increase (Decrease)	(Reference) Results for the same period of the previous year
	Yen	Yen	Yen	Yen
Yen / U.S. Dollar	124	114	10	110
Yen / Euro	135	129	6	130

The results forecast and other forward-looking statements herein are based on certain assumptions made in light of the information currently available to the Company and the Group as of the date of the release of this document and include potential risks and uncertainty. Please note that actual results may differ significantly from these forecasts due to changes in various factors surrounding the businesses of the Company and the Group.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of December 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and cash equivalents	75,093	85,770
Trade and other receivables	197,320	197,146
Other financial assets	2,096	4,405
Inventories	218,019	268,641
Other current assets	40,553	42,924
Total current assets	533,081	598,886
Non-current assets		
Tangible assets	389,795	402,010
Goodwill	26,287	27,243
Intangible assets	42,794	43,642
Investments accounted for using equity method	4,430	4,423
Other financial assets	36,889	37,709
Net defined benefit asset	41,458	41,834
Deferred tax assets	10,641	11,414
Other non-current assets	794	909
Total non-current assets	553,088	569,184
Total assets	1,086,169	1,168,070

(Millions of yen)

	As of December 31, 2021	As of March 31, 2022
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and loans payable	68,143	101,815
Trade and other payables	160,902	160,477
Other financial liabilities	12,100	13,178
Income tax payable	6,301	7,979
Provisions	1,604	1,336
Other current liabilities	47,535	52,638
Total current liabilities	296,585	337,423
Non-current liabilities		
Bonds and loans payable	170,502	171,224
Other financial liabilities	46,919	47,023
Net defined benefit liability	23,417	24,101
Provisions	1,818	1,600
Deferred tax liabilities	12,093	15,444
Other non-current liabilities	21,292	22,305
Total non-current liabilities	276,041	281,697
Total liabilities	572,626	619,120
Equity		
Capital stock	42,658	42,658
Capital surplus	39,715	39,703
Retained earnings	481,455	485,323
Treasury stock	(85)	(85)
Other components of equity	(62,203)	(31,601)
Total equity attributable to owners of parent	501,540	535,998
Non-controlling interests	12,003	12,952
Total equity	513,543	548,950
Total liabilities and equity	1,086,169	1,168,070

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

(Millions of yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Sales revenue	213,688	250,501
Cost of sales	(147,543)	(180,958)
Gross profit	66,145	69,543
Selling, general and administrative expenses	(49,943)	(54,759)
Business profit	16,202	14,784
Other income	460	665
Other expenses	(1,078)	(1,271)
Operating profit	15,584	14,178
Financial income	1,850	4,988
Financial expenses	(816)	(740)
Equity in earnings of affiliates	(37)	(5)
Profit before tax	16,581	18,421
Income tax expenses	(5,397)	(6,143)
Profit	11,184	12,278
Profit attributable to:		
Owners of parent	10,669	11,754
Non-controlling interests	515	524
Profit	11,184	12,278
Profit per share		
Basic profit per share (Yen)	40.57	44.69

Condensed Quarterly Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Profit	11,184	12,278
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	1,634	8
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges	38	39
Currency translation differences of foreign operations	16,518	31,107
Other comprehensive income, net of tax	18,190	31,154
Comprehensive income	29,374	43,432
Comprehensive income attributable to:		
Owners of parent	28,511	42,360
Non-controlling interests	863	1,072
Comprehensive income	29,374	43,432

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

For the three months ended March 31, 2021

(Millions of yen)

	Equity attributable to owners of parent					
	Capital Stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2021	42,658	39,486	461,720	(77)	(99,270)	(241)
Profit			10,669			
Other comprehensive income					16,170	38
Total comprehensive income	-	-	10,669	-	16,170	38
Purchase of treasury stock				(2)		
Disposal of treasury stock						
Dividends			(9,205)			
Capital increase of consolidated subsidiaries						
Transfer to retained earnings			1			(1)
Transfer to capital surplus						
Other						
Total transactions with owners	-	-	(9,204)	(2)	-	(1)
Balance as of March 31, 2021	42,658	39,486	463,185	(79)	(83,100)	(204)

	Equity attributable to owners of parent				Non-controlling interests	Total Equity
	Other components of equity			Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Total			
Balance as of January 1, 2021	10,467	-	(89,044)	454,743	12,354	467,097
Profit			-	10,669	515	11,184
Other comprehensive income	1,634		17,842	17,842	348	18,190
Total comprehensive income	1,634	-	17,842	28,511	863	29,374
Purchase of treasury stock			-	(2)		(2)
Disposal of treasury stock			-	-		-
Dividends			-	(9,205)	(12)	(9,217)
Capital increase of consolidated subsidiaries			-	-	1,325	1,325
Transfer to retained earnings			(1)	-		-
Transfer to capital surplus			-	-		-
Other			-	-		-
Total transactions with owners	-	-	(1)	(9,207)	1,313	(7,894)
Balance as of March 31, 2021	12,101	-	(71,203)	474,047	14,530	488,577

For the three months ended March 31, 2022

(Millions of yen)

	Equity attributable to owners of parent					
	Capital Stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	
					Currency translation differences of foreign operations	Cash flow hedges
Balance as of January 1, 2022	42,658	39,715	481,455	(85)	(74,238)	(126)
Profit			11,754			
Other comprehensive income					30,559	39
Total comprehensive income	-	-	11,754	-	30,559	39
Purchase of treasury stock				(0)		
Disposal of treasury stock		(0)		0		
Dividends			(7,890)			
Capital increase of consolidated subsidiaries						
Transfer to retained earnings			4			
Transfer to capital surplus		0	(0)			
Other		(12)				
Total transactions with owners	-	(12)	(7,886)	(0)	-	-
Balance as of March 31, 2022	42,658	39,703	485,323	(85)	(43,679)	(87)

	Equity attributable to owners of parent				Non-controlling interests	Total Equity
	Other components of equity			Total		
	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plan	Total			
Balance as of January 1, 2022	12,161	-	(62,203)	501,540	12,003	513,543
Profit			-	11,754	524	12,278
Other comprehensive income	8		30,606	30,606	548	31,154
Total comprehensive income	8	-	30,606	42,360	1,072	43,432
Purchase of treasury stock			-	(0)		(0)
Disposal of treasury stock			-	0		0
Dividends			-	(7,890)	(123)	(8,013)
Capital increase of consolidated subsidiaries			-	-		-
Transfer to retained earnings	(4)		(4)	-		-
Transfer to capital surplus			-	-		-
Other			-	(12)		(12)
Total transactions with owners	(4)	-	(4)	(7,902)	(123)	(8,025)
Balance as of March 31, 2022	12,165	-	(31,601)	535,998	12,952	548,950

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Cash flows from operating activities		
Profit before tax	16,581	18,421
Depreciation and amortization	16,801	17,402
Interest and dividends income	(275)	(492)
Interest expenses	816	739
Share of (profit) loss of entities accounted for using equity method	37	5
Decrease (increase) in inventories	(17,275)	(40,595)
Decrease (increase) in trade and other receivables	13,005	8,523
Increase (decrease) in trade and other payables	(7,014)	47
Other, net	4,379	84
Subtotal	27,055	4,134
Interest received	199	447
Dividend income received	78	30
Interest expenses paid	(645)	(640)
Income taxes paid	(4,581)	(4,585)
Net cash provided by (used in) operating activities	22,106	(614)
Cash flows from investing activities		
Purchase of tangible assets	(10,884)	(14,533)
Proceeds from sales of tangible assets	72	42
Purchase of intangible assets	(1,048)	(1,537)
Payment for transfer of business	-	(87)
Other, net	52	395
Net cash provided by (used in) investing activities	(11,808)	(15,720)

(Millions of yen)

	For the three months ended March 31, 2021	For the three months ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	9,873	32,373
Repayments of long-term debt and redemption of bonds	(2,709)	-
Repayments of lease obligations	(2,971)	(3,046)
Proceeds from share insurance to non-controlling interests	1,325	-
Cash dividends paid	(8,973)	(7,696)
Cash dividends paid to non-controlling interests	(12)	(123)
Purchase of treasury stock	(2)	(0)
Other, net	-	(1)
Net cash provided by (used in) financing activities	(3,469)	21,507
Effect of exchange rate change on cash and cash equivalents	2,859	5,504
Net increase (decrease) in cash and cash equivalents	9,688	10,677
Cash and cash equivalents at the beginning of current period	74,203	75,093
Cash and cash equivalents at the end of current period	83,891	85,770

(5) Notes on Condensed Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Segment Information)

1. Information by reportable segment

Reportable segments of the Group are the units for which separate financial information is available and periodically reviewed by the Board of Directors as the highest decision-making body for the purposes of deciding the allocation of management resources and evaluating business performance.

The Group has three divisions based on operations in Tires, Sports and Industrial and Other Products. Each division formulates comprehensive strategies for both domestic and overseas markets and develops business activities.

Therefore, the Group identifies “Tires”, “Sports”, and “Industrial and Other Products” as reportable segments.

Major products and services or details of business that belong to each reportable segment are as follows.

Reportable segment	Major products and services or details of business
Tires	Tires and tubes (for automobiles, construction vehicles, industrial vehicles, automotive races and rallies, motorcycles, etc.) Automotive system business (instant mobility systems, deflation warning systems, etc.)
Sports	Sporting goods (golf clubs, golf balls and other golf goods, tennis goods, etc.) Operation of golf tournaments Operation of golf and tennis schools Fitness business, and others
Industrial and Other Products	High-performance rubber products (vibration control dampers, precision rubber parts for office machines, rubber parts for medical applications, etc.) Daily life supplies (rubber gloves for cooking and other operations, ramps for wheelchair use, etc.) Products for infrastructure (marine dock fenders, flooring materials for factories and sports facilities, etc.)

2. Reportable segment sales revenues and profit or loss

Inter-segment sales revenues are stated at wholesale prices based on current market values.

Figures for reportable segment are based on business profit.

Information about reportable segment sales revenues and profit or loss is as follows.

For the three months ended March 31, 2021 (January 1, 2021 to March 31, 2021)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Quarterly Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	180,305	23,327	10,056	213,688	-	213,688
Inter-segment sales revenue	175	36	266	477	(477)	-
Total	180,480	23,363	10,322	214,165	(477)	213,688
Segment profit (Business profit) (Note 1)	13,146	2,468	576	16,190	12	16,202
Other income and expenses						(618)
Operating profit						15,584

(Notes)

1. "Segment profit (Business profit)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit included in "Adjustment" comprised elimination of inter-segment transactions.

For the three months ended March 31, 2022 (January 1, 2022 to March 31, 2022)

(Millions of yen)

	Reportable segment			Total	Adjustments (Note 2)	Amounts recorded in Condensed Quarterly Consolidated Statements of Income
	Tires	Sports	Industrial and Other Products			
Sales revenue from external customers	210,866	29,685	9,950	250,501	-	250,501
Inter-segment sales revenue	332	34	307	673	(673)	-
Total	211,198	29,719	10,257	251,174	(673)	250,501
Segment profit (Business profit) (Note 1)	10,454	3,980	338	14,772	12	14,784
Other income and expenses						(606)
Operating profit						14,178

(Notes)

1. "Segment profit (Business profit)" is "Sales revenue" subtracted by "Cost of sales" and "Selling, general and administrative expenses."
2. Segment profit included in "Adjustment" comprised elimination of inter-segment transactions.

(Significant Subsequent Events)

None