

**CRE Inc.**  
**Summary of Consolidated Financial Statements (Unaudited)**  
**For the Fiscal Year ending July 31, 2022**  
**(Translated from the Japanese original)**

**Corporate Information**

Code: 3458 Listing: Prime Market of the Tokyo Stock Exchange

(URL <https://www.cre-jpn.com/english/>)

Representative: Tadahide Kameyama, Representative Director, President

Contact: Hidetoshi Nagahama, Director

E-mail: [ir@cre-jpn.com](mailto:ir@cre-jpn.com)

Anticipated date of annual general meeting of shareholders: October 27, 2022

Expected date of payment for dividends: October 11, 2022

Anticipated date for filing Yuka Shoken Hokokusho (a Japanese-language business report): October 27, 2022

Preparation of supplementary explanation material for financial results: Yes

Financial results briefing: Yes (Video presentation of financial results will be available on the Company's website.)

(Rounded down to the nearest million)

**1. Consolidated Performance for Fiscal 2022 (August 1, 2021 through July 31, 2022)****(1) Consolidated Operating Results**

(Percentages represent changes from corresponding period of previous year)

	Net sales		Operating profit		Recurring profit		Net income attributable to owners of the parent company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2022	62,734	31.9	10,182	76.4	9,187	72.9	5,775	61.6
Fiscal 2021	47,556	15.4	5,772	36.5	5,313	31.2	3,574	36.9

(Note) Comprehensive income: 5,740 million yen (42.1 %) (Fiscal 2022), 4,040 million yen (28.6%) (Fiscal 2021)

	Net income per share	Fully diluted net income per share	Return (net income) on equity	Return (recurring profit) on assets	Return (operating profit) on sales
	Yen	Yen	%	%	%
Fiscal 2022	196.82	196.58	18.4	8.5	16.2
Fiscal 2021	130.40	130.19	15.3	6.3	12.1

(Reference) Equity in earnings or losses of affiliates: (96) million yen (Fiscal 2022), 87 million yen (Fiscal 2021)

**(2) Consolidated Financial Position**

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2022	118,248	36,157	30.6	1,206.51
Fiscal 2021	99,041	26,746	26.9	970.80

(Reference) Equity capital: 36,152 million yen (July 31, 2022), 26,662 million yen (July 31, 2021)

**(3) Consolidated Cash Flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal 2022	15,689	(5,881)	7,507	36,788
Fiscal 2021	(22,754)	(285)	28,040	19,457

## 2. Payment of Dividends

	Dividends per share					Total dividends (For the year) Millions of yen	Dividend payout ratio (Consolidated) %	Dividends on net assets (Consolidated) %
	First quarter- end	At end of first half	Third quarter- end	Year-end	For the year			
	yen	yen	yen	yen	yen			
Fiscal 2021	—	0.00	—	23.00	23.00	631	17.6	2.6
Fiscal 2022	—	0.00	—	24.00	24.00	719	12.2	2.2
Fiscal 2023 (Estimated)	—	0.00	—	24.00	24.00		22.5	

## 3. Anticipated Consolidated Results for Fiscal 2023 (August 1, 2022 through July 31, 2023)

(Percentages represent changes from corresponding period of previous year)

	Net sales		Operating profit		Recurring profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	61,800	(1.5)	6,350	(37.6)	5,000	(45.6)

	Net income attributable to owners of the parent company		Net income per share
	Millions of yen	%	Yen
Full year	3,200	(44.6)	106.79

### \*Notes:

(1) Major reclassifications of subsidiaries during the term (changes in specified subsidiaries resulting in change in scope of consolidation): None

(2) Changes in accounting policy, changes in accounting estimate and retrospective restatement

1. Changes associated with revision of accounting standards, etc: Yes
2. Changes other than 1: None
3. Changes in accounting estimates: None
4. Restatements: None

(3) Number of outstanding shares (common stock)

1. Number of outstanding shares, including treasury stock, at end of term:

29,971,800 shares (July 31, 2022)

27,468,800 shares (July 31, 2021)

2. Number of shares of treasury stock at end of term:

7,474 shares (July 31, 2022)

4,311 shares (July 31, 2021)

3. Average outstanding number of shares (during the fiscal year):

29,345,622 shares (July 31, 2022)

27,414,611 shares (July 31, 2021)

## (Reference) Non-consolidated Financial Results for Fiscal 2022 (August 1, 2021 through July 31, 2022)

### 1. Non-consolidated Performance for Fiscal 2022 (August 1, 2021 through July 31, 2022)

#### (1) Non-consolidated Operating Results

	Net sales		Operating profit		Recurring profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal 2022	59,193	32.2	9,769	77.1	8,907	82.8	5,434	68.0
Fiscal 2021	44,786	25.4	5,515	41.2	4,873	45.8	3,234	72.9

	Net income per share	Fully diluted net income per share
	Yen	Yen
Fiscal 2022	185.19	184.96
Fiscal 2021	117.98	117.80

## (2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal 2022	115,275	34,173	29.6	1,140.48
Fiscal 2021	96,531	25,137	26.0	915.28

(Reference) Equity capital: 34,173 million yen (July 31, 2022), 25,137 million yen (July 31, 2021)

<Reasons for the differences in non-consolidated performance from the previous fiscal year>

The scale of the properties developed by the Company that we sold was larger than in the previous fiscal year in logistics investment business, and the profit margin was higher than in the previous fiscal year as well. As a result, there is differences between the actual results for the previous fiscal year and the current fiscal year.

### \*Audit Status

These materials are not subject to audit procedure requirements under Japan's Financial Instruments and Exchange Act which require auditing by certified public accountants or an accounting firm.

### \*Cautionary Note on Forward-Looking Statements and Other Important Matters

(Note on forward-looking statements)

This report contains forward-looking statements that reflect CRE's plans and expectations based on information available to CRE at the time of preparation and on certain other information CRE believes to be reasonable. These forward-looking statements are not guarantees of future performance, and actual results, performance, achievements or financial position may differ materially from those expressed or implied herein due to a range of factors.

(About the financial results briefing)

A video presentation of the financial results is scheduled to be distributed on the Company's website today (September 12, 2022).

### Ratios for cash flow analysis are as follows:

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Equity ratio (%)	39.9	31.9	28.5	26.9	30.6
Equity ratio (market value basis) (%)	56.4	52.2	51.5	41.9	41.8
Cash flow to interest-bearing debt ratio (years)	4.4	—	3.2	—	3.5
Interest coverage ratio (times)	27.5	—	40.7	—	51.9

Equity ratio: Equity capital / Total assets

Equity ratio (market-value basis): Total market value of stocks / Total assets

Cash flow to interest-bearing debt: Interest-bearing debt / Cash flow

Interest coverage ratio: Cash flow / Interest payments

(Notes) 1. All indicators were calculated using consolidated financial statement data.

2. Total market value of stocks is based on the number of shares issued and outstanding, excluding treasury stock.

3. Cash flow draws on cash flow from operating activities.

4. "Interest-bearing debt" is all debt on the consolidated balance sheet on which interest is payable.

5. Neither cash flow to interest-bearing debt ratio nor interest coverage ratio for fiscal 2019 and fiscal 2021 are provided because CRE posted negative cash flow from operating activities.

**Consolidated Financial Statements**
**(1) Consolidated Balance Sheets**

	Fiscal 2021 As of July 31, 2021 Millions of yen	Fiscal 2022 As of July 31, 2022 Millions of yen
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	19,473	36,806
Accounts receivable-trade	709	—
Notes, accounts receivable - trade and contract assets	—	572
Notes receivable-trade and Accounts receivable from completed construction contracts	473	—
Accounts receivable from completed construction contracts	—	612
Real estate for sale	24,920	2,555
Real estate for sale in process	27,342	43,981
Advance payments-trade	1,983	5,818
Prepaid expenses	1,360	1,482
Others	551	446
Allowance for doubtful accounts	(25)	(22)
Total current assets	76,790	92,273
<b>Fixed assets</b>		
Tangible fixed assets		
Buildings and structures	4,308	4,582
Accumulated depreciation	(2,062)	(2,032)
Buildings and structures (net)	2,245	2,549
Machinery, equipment and vehicles	416	78
Accumulated depreciation	(274)	(75)
Machinery, equipment and vehicles (net)	141	2
Tools, furniture and fixtures	214	245
Accumulated depreciation	(139)	(165)
Tools, furniture and fixtures (net)	74	80
Land	1,896	4,416
Lease assets	493	496
Accumulated depreciation	(285)	(322)
Lease assets (net)	207	173
Total tangible fixed assets	4,565	7,222
Intangible fixed assets		
Goodwill	1,290	848
Others	340	204
Total intangible assets	1,630	1,052
Investments and other fixed assets		
Investment securities	7,884	8,394
Claims provable in bankruptcy, claims provable in rehabilitation and other	33	46
Long-term prepaid expenses	1,014	1,203
Deferred tax assets	24	82
Lease and guarantee deposits	7,022	7,548
Others	85	451
Allowance for doubtful accounts	(36)	(46)
Total investments and other fixed assets	16,028	17,679
Total fixed assets	22,224	25,954
Deferred assets		
Bond issuance cost	26	19
Total deferred assets	26	19
<b>Total assets</b>	<b>99,041</b>	<b>118,248</b>

	Fiscal 2021 As of July 31, 2021 Millions of yen	Fiscal 2022 As of July 31, 2022 Millions of yen
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	7,018	8,534
Accounts payable for construction contracts	157	597
Short-term loans payable	600	374
Current portion of long-term loans payable	2,050	3,055
Lease obligations	36	53
Accrued corporate and other taxes	1,027	2,928
Accrued consumption taxes	89	1,837
Deposits received	1,498	263
Unearned revenue	1,808	1,788
Allowance for employees' bonuses	68	386
Allowance for directors' bonuses	300	348
Allowance for sublease losses	13	46
Allowance for loss on construction contracts	9	8
Asset retirement obligations	—	10
Others	297	462
Total current liabilities	14,975	20,695
<b>Fixed liabilities</b>		
Bonds payable	3,000	3,000
Long-term loans payable	44,002	48,790
Lease obligations	267	290
Deferred tax liabilities	234	58
Allowance for loss on guarantees	30	33
Allowance for sublease losses	15	9
Liability for retirement benefits	255	274
Asset retirement obligations	274	300
Lease and guarantee deposits received	7,931	7,975
Investment deposit in silent partnership	1,064	446
Others	241	215
Total fixed liabilities	57,319	61,394
<b>Total liabilities</b>	72,295	82,090
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	3,071	5,217
Capital surplus	5,031	7,177
Retained earnings	17,157	22,311
Treasury stock	(0)	(0)
Total shareholders' equity	25,260	34,706
<b>Accumulated other comprehensive income</b>		
Unrealized gain (loss) on other securities	1,470	1,400
Deferred gains (losses) on hedges	(25)	(18)
Foreign currency translation adjustment	(41)	63
Total accumulated other comprehensive income	1,402	1,446
Non-controlling interests	83	5
<b>Total net assets</b>	26,746	36,157
<b>Total liabilities and net assets</b>	99,041	118,248

**(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income****Consolidated Statements of Income**

	Fiscal 2021 (August 1, 2020 through July 31, 2021) Millions of yen	Fiscal 2022 (August 1, 2021 through July 31, 2022) Millions of yen
Net sales	47,556	62,734
Cost of sales	37,245	47,017
Gross profit	10,310	15,717
Selling, general and administrative expenses	4,537	5,534
Operating profit	5,772	10,182
Non-operating income		
Interest received	3	6
Insurance income	5	20
Equity in income of affiliates	87	—
Others	14	8
Total non-operating income	110	34
Non-operating expenses		
Interest paid	215	316
Commission fee	316	529
Equity in loss of affiliates	—	96
Others	37	86
Total non-operating expenses	569	1,029
Recurring profit	5,313	9,187
Extraordinary income		
Gain on sales of investment securities	148	—
Gain on step acquisitions	119	—
Real estate sales contract penalties	—	565
Others	9	0
Total extraordinary income	278	566
Extraordinary expenses		
Loss on sales of investment securities	—	16
Impairment loss	105	341
Loss on valuation of shares of subsidiaries and associates	13	—
Amortization of goodwill	—	184
Others	5	44
Total extraordinary expenses	124	586
Profit before dividend distribution from silent partnerships and income taxes	5,467	9,168
Dividends distribution from silent partnerships	16	12
Income before income taxes	5,451	9,155
Corporate, inhabitant and business taxes	1,764	3,671
Adjustments to corporate and other taxes	112	(212)
Total income taxes	1,876	3,458
Net income	3,574	5,696
Net income (loss) attributable to non-controlling interests	—	(78)
Net income attributable to owners of the parent company	3,574	5,775

**Consolidated Statements of Comprehensive Income**

	Fiscal 2021 (August 1, 2020 through July 31, 2021) Millions of yen	Fiscal 2022 (August 1, 2021 through July 31, 2022) Millions of yen
Net income	3,574	5,696
Other comprehensive income		
Unrealized gain (loss) on available-for-sale securities	382	(59)
Foreign currency translation adjustment	11	17
Share of other comprehensive income of entities accounted for using equity method	71	84
Total other comprehensive income	465	43
Comprehensive income	4,040	5,740
Comprehensive income attributable to owners of the parent company	4,042	5,819
Comprehensive income attributable to non-controlling interests	(1)	(78)

**(3) Consolidated statements of changes in shareholders' equity**

Fiscal 2021 (August 1, 2020 through July 31, 2021)

(Millions of yen)

	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year	2,240	3,612	14,170	(955)	19,067
Cumulative effect of accounting change					—
Balance at beginning of fiscal year reflecting change in accounting policy	2,240	3,612	14,170	(955)	19,067
Changes					
Issuance of new shares-exercise of subscription rights to shares	831	831			1,662
Dividends from surplus			(555)		(555)
Net income attributable to owners of the parent company			3,574		3,574
Disposal of treasury stock		587		954	1,542
Change of scope of consolidation or change of scope of equity method			(31)		(31)
Net changes in items other than shareholders' equity during fiscal year					—
Total changes	831	1,419	2,987	954	6,192
Balance at end of fiscal year	3,071	5,031	17,157	(0)	25,260

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Unrealized gains (losses) on other securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	1,070	(30)	(104)	935	1	20,004
Cumulative effect of accounting change						—
Balance at beginning of fiscal year reflecting change in accounting policy	1,070	(30)	(104)	935	1	20,004
Changes						
Issuance of new shares-exercise of subscription rights to shares						1,662
Dividends from surplus						(555)
Net income attributable to owners of the parent company						3,574
Disposal of treasury stock						1,542
Change of scope of consolidation or change of scope of equity method						(31)
Net changes in items other than shareholders' equity during fiscal year	399	5	62	467	82	549
Total changes	399	5	62	467	82	6,742
Balance at end of fiscal year	1,470	(25)	(41)	1,402	83	26,746



	Shareholders' Equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of fiscal year	3,071	5,031	17,157	(0)	25,260
Cumulative effect of accounting change			9		9
Balance at beginning of fiscal year reflecting change in accounting policy	3,071	5,031	17,167	(0)	25,270
Changes					
Issuance of new shares-exercise of subscription rights to shares	2,146	2,146			4,292
Dividends from surplus			(631)		(631)
Net income attributable to owners of the parent company			5,775		5,775
Net changes in items other than shareholders' equity during fiscal year					
Total changes	2,146	2,146	5,144	—	9,436
Balance at end of fiscal year	5,217	7,177	22,311	(0)	34,706

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Unrealized gains (losses) on other securities	Deferred gains (losses) on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of fiscal year	1,470	(25)	(41)	1,402	83	26,746
Cumulative effect of accounting change						9
Balance at beginning of fiscal year reflecting change in accounting policy	1,470	(25)	(41)	1,402	83	26,756
Changes						
Issuance of new shares-exercise of subscription rights to shares						4,292
Dividends from surplus						(631)
Net income attributable to owners of the parent company						5,775
Net changes in items other than shareholders' equity during fiscal year	(69)	7	105	43	(78)	(35)
Total changes	(69)	7	105	43	(78)	9,401
Balance at end of fiscal year	1,400	(18)	63	1,446	5	36,157

**(4) Consolidated statements of cash flows**

	Fiscal 2021 (August 1, 2020 through July 31, 2021) Millions of yen	Fiscal 2022 (August 1, 2021 through July 31, 2022) Millions of yen
<b>Cash flows from operating activities</b>		
Income before income taxes	5,451	9,155
Depreciation and amortization	264	327
Impairment loss	105	341
Amortization of goodwill	236	442
Share of (profit) loss of entities accounted for using equity method	(87)	96
Increase (decrease) in allowance for doubtful accounts	(19)	5
Increase (decrease) in allowance for employees' bonuses	5	318
Increase (decrease) in allowance for sublease losses	(63)	26
Increase (decrease) in allowance for loss on construction contracts	—	(0)
Increase (decrease) in allowance for loss on guarantees	(0)	3
Increase (decrease) in allowance for directors' bonuses	50	48
Increase (decrease) in liability for retirement benefits	16	18
Interest and dividends received	(3)	(6)
Interest paid	215	316
Loss (gain) on sales of investment securities	(148)	16
Loss (gain) on step acquisitions	(119)	—
Loss on valuation of shares of subsidiaries and associates	13	—
(Increase) decrease in notes and accounts receivable	(150)	(1)
(Increase) decrease in inventories	(23,143)	7,696
Increase (decrease) in notes and accounts payable	(5,191)	1,955
Decrease (increase) in advance payments	1,391	(3,834)
(Increase) decrease in guarantee deposits	(789)	(486)
Increase (decrease) in lease and guarantee deposits received	800	28
Others	726	1,391
Subtotal	(20,441)	17,858
Proceeds from interest and dividend income	0	3
Payment of interest	(184)	(302)
Payment of income taxes	(2,129)	(1,870)
<b>Net cash provided by operating activities</b>	(22,754)	15,689
<b>Cash flows from investing activities</b>		
Purchase of marketable and investment securities	(782)	(644)
Proceeds from sales and redemption of marketable and investment securities	709	66
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	160	—
Purchase of property, plant and equipment	(158)	(4,849)
Purchase of intangible fixed assets	(213)	(165)
Others	(2)	(288)
<b>Net cash (used in) investing activities</b>	(285)	(5,881)

	Fiscal 2021 (August 1, 2020 through July 31, 2021) Millions of yen	Fiscal 2022 (August 1, 2021 through July 31, 2022) Millions of yen
<b>Cash flows from financing activities</b>		
Proceeds from short-term loans	600	374
Repayment of short-term loans	(1,000)	(600)
Proceeds from long-term loans	36,824	22,170
Repayment of long-term loans	(14,717)	(17,297)
Proceeds from issuance of bonds	2,967	—
Repayment of lease obligations	(28)	(45)
Proceeds from investments in silent partnerships	1,058	187
Payment of distribution of investments in silent partnership	(211)	(803)
Proceeds from issuance of common shares	1,548	4,151
Execution of stock option	2	1
Proceeds from disposal of treasury shares	1,552	—
Cash dividends paid	(555)	(631)
<b>Net cash provided by (used in) financing activities</b>	<b>28,040</b>	<b>7,507</b>
Effect of exchange rate change on cash and cash equivalents	(9)	16
Net increase (decrease) in cash and cash equivalents	4,991	17,331
Cash and cash equivalents at beginning of fiscal year	14,466	19,457
Cash and cash equivalents at end of fiscal year	19,457	36,788

	Reporting Segments				Other Operations (Note 1)	Total	Adjustment (Note 2)	Consolidated statements of income amount (Note 3)
	Real estate management business	Logistics investment business	Asset management business	Total				
Sales								
External customers	24,274	22,252	1,024	47,551	4	47,556	—	47,556
Inter-segment	282	2	20	305	23	329	(329)	—
Total	24,556	22,254	1,045	47,857	28	47,885	(329)	47,556
Segment income	2,055	4,359	538	6,953	5	6,958	(1,185)	5,772
Segment assets	18,822	54,314	6,030	79,166	1,493	80,660	18,381	99,041
Other								
Depreciation and amortization	241	4	5	250	—	250	14	264
Amortization of goodwill	212	—	24	236	—	236	—	236
Impairment loss	105	—	—	105	—	105	—	105
Investment in affiliates accounted for by equity method	334	1,904	—	2,239	—	2,239	—	2,239
Increase on tangible fixed assets and intangible fixed assets	310	—	2	312	—	312	93	406

(Notes) 1. The classification “Other Operations” represents business segments not included under other reporting segments.

2. Adjustments are as follows:

(1) The (1,185) million yen segment income adjustment includes (23) million yen in inter-segment elimination and (1,162) million yen in corporate expenses not included in any segment. Primary corporate expenses are general administrative expenses which are not associated with reporting segments.

(2) The 18,381 million yen segment assets adjustment includes (1,341) million yen in inter-segment elimination and 19,722 million yen in corporate assets not included in any segment. Primary corporate assets are cash and deposits and general corporate assets which are not associated with reporting segments.

(3) The 14 million yen depreciation and amortization adjustment are corporate expenses which are not associated with reporting segments.

(4) The 93 million yen increase on tangible fixed assets and intangible fixed assets adjustment are amount of capital investments related to general corporate.

3. Segment income has been reconciled with operating income on the consolidated statements of income.

4. The amount of increase on tangible fixed assets and intangible fixed assets does not include the amount of increase due to new consolidation.

	Reporting Segments				Other Operations (Note 1)	Total	Adjustment (Note 2)	Consolidated statements of income amount (Note 3)
	Real estate management business	Logistics investment business	Asset management business	Total				
Sales								
External customers	28,058	33,260	1,408	62,726	7	62,734	—	62,734
Inter-segment	597	2	25	625	18	643	(643)	—
Total	28,655	33,262	1,434	63,351	26	63,378	(643)	62,734
Segment income	2,892	7,796	847	11,536	2	11,539	(1,356)	10,182
Segment assets	21,836	53,003	6,526	81,366	866	82,233	36,014	118,248
Other								
Depreciation and amortization	286	6	13	306	0	306	20	327
Amortization of goodwill	258	—	—	258	—	258	—	258
Impairment loss	525	—	—	525	—	525	—	525
Investment in affiliates accounted for by equity method	97	2,716	—	2,813	—	2,813	—	2,813
Increase on tangible fixed assets and intangible fixed assets	4,997	24	43	5,065	1	5,067	105	5,172

(Notes) 1. The classification “Other Operations” represents business segments not included under other reporting segments.

2. Adjustments are as follows:

(1) The (1,356) million yen segment income adjustment includes (58) million yen in inter-segment elimination and (1,298) million yen in corporate expenses not included in any segment. Primary corporate expenses are general administrative expenses which are not associated with reporting segments.

(2) The 36,014 million yen segment assets adjustment includes (1,074) million yen in inter-segment elimination and 37,089 million yen in corporate assets not included in any segment. Primary corporate assets are cash and deposits and general corporate assets which are not associated with reporting segments.

(3) The 20 million yen depreciation and amortization adjustment are corporate expenses which are not associated with reporting segments.

(4) The 105 million yen increase on tangible fixed assets and intangible fixed assets adjustment are amount of capital investments related to general corporate.

3. Segment income has been reconciled with operating income on the consolidated statements of income.