

Consolidated Financial Summary for the First Half of the Fiscal Year Ending March 31, 2024 (IFRS)

November 2, 2023

Company name: Kanematsu Corporation

Stock Exchange listing: Prime Market, Tokyo Stock Exchange

Stock code: 8020

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Scheduled date to submit the Quarterly Securities Report (*Shihanki Houkokusho*): November 9, 2023

Scheduled date for commencement of dividend payments: December 5, 2023

Supplementary documents for quarterly results: Yes

Quarterly results briefing: Yes

(Figures of less than one million are rounded down.)

1. Consolidated business results for the first half of the fiscal year ending March 2024 (April 1, 2023 – September 30, 2023)

(1) Consolidated business results (sum total) (%: Change from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First half to September 2023	474,129	5.5	22,407	1.6	20,373	(4.7)	13,457	(9.8)	12,339	1.0	24,338	0.9
First half to September 2022	449,459	23.4	22,052	54.8	21,382	57.8	14,915	58.7	12,212	67.6	24,130	145.8

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
First half to September 2023	147.69		147.20	
First half to September 2022	146.21		145.90	

(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 condition

	Total assets	Total equity	Equity attributable to owners of the parent	Percentage of equity attributable to owners of the parent
	Million yen	Million yen	Million yen	%
As of September 30, 2023	703,338	163,277	146,716	20.9
As of March 31, 2023	677,588	143,423	128,525	19.0

2. Dividends

(Record date)	Annual dividends				
	End of first quarter	End of second quarter	End of third quarter	Year end	Fiscal
Fiscal year ended March 2023	–	37.50	–	37.50	75.00
Fiscal year ending March 2024	–	45.00	–	–	–
Fiscal year ending March 2024 (Forecasts)	–	–	–	45.00	90.00

(Notes) Revisions to dividend forecasts published most recently: None

3. Forecasts for consolidated results ending March 2023 (April 1, 2023 – March 31, 2024)

(%: Changes from the previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	960,000	5.3	40,500	4.1	36,000	0.9	23,500	26.5	281.32

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

* Notes

(1) Important change in subsidiaries during the term (Change in scope of consolidation): None

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

- | | |
|---|------|
| 1. Changes in accounting policies required by IFRS: | Yes |
| 2. Changes in accounting policies other than 1.: | None |
| 3. Changes in accounting estimates: | None |

(3) Number of outstanding shares (common shares)

- | | | | |
|--|-------------------|-----------------------|-------------------|
| 1. Number of outstanding shares including treasury stock | | | |
| First half (2023/9): | 84,500,202 shares | Fiscal year (2023/3): | 84,500,202 shares |
| 2. Number of treasury stock | | | |
| First half (2023/9): | 942,020 shares | Fiscal year (2023/3): | 956,231 shares |
| 3. Average number of shares during the period (First half) | | | |
| First half (2023/9): | 83,548,525 shares | First half (2022/9): | 83,524,869 shares |

* Quarterly consolidated financial summaries are not subject to quarterly review by a certified public accountant or an audit corporation.

* 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, Etc. for the First Half of the Fiscal Year Ending March 31, 2024” on page 3 of accompanying materials for further information on results forecasts.

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1. Qualitative Information on Consolidated Results, Etc. for the First Half of the Fiscal Year Ending March 31, 2024

(1) Details of consolidated results

During the six months under review (from April 1, 2023 to September 30, 2023), the global economy continued facing uncertain conditions including the ongoing high interest rates and inflations in Europe and the U.S., the economic slowdown in China, and the escalating tensions in the Middle East.

The U.S. economy saw mixed signals: while the expectation for prolonged monetary tightening against the backdrop of solid personal consumption and employment conditions placed a downward pressure on the economy, energy-related investments remained strong.

In Europe, although monetary tightening was reaching a turning point in response to the slowing inflation, the economy currently remained sluggish against the backdrop of weak domestic and external demand, leaving an outlook for economic recovery unclear.

In China, the economy slowed down since spring as the surging demand as a rebound from the cancellation of the zero-COVID policy ran its course. There is a concern that the slower recovery in personal consumption and the weak property prices may place a downward pressure on the economy.

The Japanese economy recovered slowly thanks to the recovery in inbound demand following the removal of restrictions placed on people's activities during the COVID-19 pandemic and solid capital investments on the back of the ongoing digital transformation. Meanwhile, there is a concern about the risk of economic downswing due to the rising energy prices and inflation.

In this environment, the results of the Group for the half under review are as shown below.

Revenue increased centered on the mobile business whose sales were in the recovery trend, the energy business which benefited from the cheaper yen, and the steel tubing business. Although profit increased in the ICT solutions business and the steel tubing business that had a solid performance and in the aerospace business that saw strong transactions in airplane-related parts, the energy business that was affected by the impact of falling domestic demand, the meat products business that was mainly affected by the impact of higher market prices overseas and the cheaper yen and the feedstuff business the prices of whose main grains had softened saw profit decrease compared with the same period of the previous year when a strong performance had been recorded.

As a result, consolidated revenue increased ¥24,670 million (5.5%) year on year, to ¥474,129 million. Consolidated gross profit also increased ¥6,254 million (10.1%) from a year earlier, to ¥68,355 million. Consolidated operating profit rose ¥355 million (1.6%) from a year earlier, to ¥22,407 million due to an increase in gross profit. Despite an increase in operating profit, profit before tax fell ¥1,009 million (4.7%) year on year, to ¥20,373 million due to a smaller finance income, while profit attributable to owners of the parent rose ¥127 million (1.0%) year on year, to ¥12,339 million.

Results for each business segment are described below

(i) Electronics & Devices

Revenue increased ¥13,072 million year on year, to ¥147,593 million, attributable to higher revenue in the mobile business, the semiconductor parts and manufacturing equipment business, and the ICT solutions business. Operating profit fell ¥584 million, to ¥9,843 million, due to smaller profits in the industrial electronics and electronic materials business and the semiconductor parts and manufacturing equipment business, while profit attributable to owners of the parent increased ¥1,525 million, to ¥6,202 million.

(ii) Foods, Meat & Grain

Revenue fell ¥2,195 million year on year, to ¥170,649 million, reflecting drops in revenue in the meat products business. Operating profit rose ¥606 million, to ¥5,329 million, due to higher profits in the feedstuff business and the foods business, although profit attributable to owners of the parent slid ¥822 million, to ¥2,518 million.

(iii) Steel, Materials & Plant

Revenue increased ¥13,404 million year on year, to ¥105,573 million, due to higher revenues mainly in the energy business and the steel tubing business. Operating profit shrank ¥638 million, to ¥5,083 million, mainly due to a weaker profit in the energy business. Profit attributable to owners of the parent decreased ¥1,207 million, to ¥2,106 million.

(iv) Motor Vehicles & Aerospace

Revenue increased ¥1,558 million year on year, to ¥44,212 million, due to a rise in revenues mainly in the aerospace business. Operating profit rose ¥1,022 million, to ¥1,703 million, due to increases in profit in the aerospace business and the motor vehicles and parts business. Profit attributable to owners of the parent increased ¥628 million, to ¥1,119 million.

(v) Other

Revenue decreased ¥1,169 million year on year, to ¥6,100 million. Operating profit fell ¥52 million, to ¥438 million, and profit attributable to owners of the parent shrank ¥62 million, to ¥471 million.

(2) Details of financial position

(i) Assets, liabilities and equity

Total assets at the end of the first half of the fiscal year under review increased ¥25,750 million from the end of the previous fiscal year, to ¥703,338 million.

Interest-bearing debt decreased ¥4,391 million from the end of the previous fiscal year, to ¥223,503 million, while net interest-bearing debt after deducting cash and deposits rose ¥26,591 million from the end of the previous fiscal year, to ¥174,539 million mainly due to payments to acquire shares of Kanematsu Electronics, Ltd. to make it a wholly owned subsidiary after a TOB and an increase in operating capital. Interest-bearing debt does not include lease liabilities.

In terms of equity, equity attributable to owners of the parent rose ¥18,191 million from the end of the previous fiscal year, to ¥146,716 million, mainly due to the accumulation of profit attributable to owners of the parent and increases in other components of equity resulting from the depreciation of the yen.

As a result, the equity ratio attributable to owners of the parent came to 20.9%. The net debt-equity ratio (“net DER”) was 1.19 times.

(ii) Cash flows

Cash and cash equivalents at the end of the first half of the fiscal year under review decreased ¥31,196 million from the end of the previous fiscal year, to ¥48,266 million.

The state of cash flows and factors for each category for the first half of the fiscal year under review are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities in the first half under review stood at ¥1,789 million (versus ¥1,791 million used in the first half of the previous fiscal year), mainly reflecting the accumulation of operating revenue.

(Cash flows from investing activities)

Net cash used in investing activities in the first half under review stood at ¥1,818 million (versus ¥5,535 million used in the first half of the previous fiscal year), mainly reflecting investments in new businesses, although there were proceeds mainly from the sale of property, plant and equipment.

(Cash flows from financing activities)

Net cash used in financing activities in the first half under review stood at ¥31,991 million (versus ¥3,292 million used in the first half of the previous fiscal year), mainly due to the repayment of short-term borrowings obtained for the TOB of Kanematsu Electronics Ltd. and payments to acquire its shares to make the company a wholly owned subsidiary.

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

We have not changed the forecasts for consolidated results that we announced on May 9, 2023.

* 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, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	79,462	48,266
Trade and other receivables	245,890	272,966
Inventories	156,071	167,282
Other financial assets	5,633	12,395
Other current assets	28,896	33,575
Total current assets	515,954	534,487
Non-current assets		
Property, plant and equipment	47,188	45,404
Goodwill	14,481	15,555
Intangible assets	28,055	28,212
Investments accounted for using the equity method	19,947	20,387
Trade and other receivables	1,606	1,655
Other investments	37,888	45,693
Other financial assets	6,656	6,600
Deferred tax assets	2,221	1,748
Other non-current assets	3,589	3,594
Total non-current assets	161,634	168,850
Total assets	677,588	703,338

(Million yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	206,609	230,961
Bonds and borrowings	162,189	118,843
Lease liabilities	7,685	7,334
Other financial liabilities	23,939	9,697
Income taxes payable	6,488	4,464
Provisions	358	216
Other current liabilities	29,199	30,282
Total current liabilities	436,469	401,800
Non-current liabilities		
Bonds and borrowings	65,704	104,659
Lease liabilities	12,992	11,810
Other financial liabilities	3,512	3,727
Retirement benefits liabilities	6,198	6,219
Provisions	2,155	2,184
Deferred tax liabilities	5,975	8,565
Other non-current liabilities	1,156	1,093
Total non-current liabilities	97,695	138,260
Total liabilities	534,164	540,061
Equity		
Share capital	27,781	27,781
Capital surplus	–	–
Retained earnings	80,543	89,550
Treasury stock	(1,259)	(1,237)
Other components of equity		
Exchange differences on translation of foreign operations	8,878	14,034
Financial assets measured at fair value through other comprehensive income	11,829	14,897
Cash flow hedges	752	1,690
Total other components of equity	21,460	30,621
Total equity attributable to owners of the parent	128,525	146,716
Non-controlling interests	14,898	16,561
Total equity	143,423	163,277
Total liabilities and equity	677,588	703,338

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

(Million yen)

	FY2022 First half (From April 1, 2022 to September 30, 2022)	FY2023 First half (From April 1, 2023 To September 30, 2023)
Revenue	449,459	474,129
Cost of sales	(387,357)	(405,774)
Gross profit	62,101	68,355
Selling, general and administrative expenses	(45,328)	(50,904)
Other income (expenses)		
Gain (loss) on sale or disposal of property, plant and equipment and intangible assets, net	(88)	1,852
Other income	5,778	3,776
Other expenses	(410)	(672)
Total other income (expenses)	5,278	4,957
Operating profit	22,052	22,407
Finance income		
Interest income	117	560
Dividend income	577	907
Other finance income	249	158
Total finance income	945	1,627
Finance costs		
Interest expenses	(1,496)	(3,155)
Other finance costs	(7)	(80)
Total finance costs	(1,504)	(3,236)
Share of profit (loss) of investments accounted for using the equity method	(110)	(424)
Profit before tax	21,382	20,373
Income tax expense	(6,467)	(6,916)
Profit for the period	14,915	13,457
Profit for the period attributable to:		
Owners of the parent	12,212	12,339
Non-controlling interests	2,703	1,118
Total	14,915	13,457
Earnings per share attributable to owners of the parent		
Basic earnings per share (yen)	146.21	147.69
Diluted earnings per share (yen)	145.90	147.20

(Condensed consolidated statements of comprehensive income)
(First half)

(Million yen)

	FY2022 First half (From April 1, 2022 to September 30, 2022)	FY2023 First half (From April 1, 2023 to September 30, 2023)
Profit for the period	14,915	13,457
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	875	3,127
Remeasurements of defined benefit plans	(0)	-
Share of other comprehensive income of investments accounted for using the equity method	(13)	(10)
Total items that will not be reclassified to profit or loss	861	3,116
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	6,394	5,810
Cash flow hedges	371	928
Share of other comprehensive income of investments accounted for using the equity method	1,586	1,024
Total items that may be reclassified to profit or loss	8,353	7,764
Other comprehensive income for the period, net of tax	9,214	10,881
Total comprehensive income for the period	24,130	24,338
Total comprehensive income for the period attributable to:		
Owners of the parent	19,621	21,547
Non-controlling interests	4,508	2,791
Total	24,130	24,338

(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
Balance as of April 1, 2022	27,781	27,164	89,280	(1,305)	5,296	10,068
Profit for the period			12,212			
Other comprehensive income					6,199	827
Total comprehensive income for the period	–	–	12,212	–	6,199	827
Dividends			(2,923)			
Dividends paid to non-controlling interests						
Acquisition of treasury stock				(1)		
Disposal of treasury stock		(0)		47		
Equity transactions with non-controlling interests		(0)				
Share-based payment transactions		22				
Put options granted to non-controlling interests		(1,054)				
Total transactions with owners	–	(1,032)	(2,923)	46	–	–
Transfer from other components of equity to retained earnings			101			(101)
Balance as of September 30, 2022	27,781	26,131	98,671	(1,258)	11,495	10,793

	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 plans	Total other components of equity			
Balance as of April 1, 2022	1,198	–	16,563	159,484	39,798	199,282
Profit for the period			–	12,212	2,703	14,915
Other comprehensive income	383	(0)	7,409	7,409	1,805	9,214
Total comprehensive income for the period	383	(0)	7,409	19,621	4,508	24,130
Dividends			–	(2,923)		(2,923)
Dividends paid to non-controlling interests			–	–	(1,088)	(1,088)
Acquisition of treasury stock			–	(1)		(1)
Disposal of treasury stock			–	47		47
Equity transactions with non-controlling interests			–	(0)	63	62
Share-based payment transactions			–	22		22
Put options granted to non-controlling interests			–	(1,054)		(1,054)
Total transactions with owners	–	–	–	(3,908)	(1,025)	(4,933)
Transfer from other components of equity to retained earnings			0	(101)		–
Balance as of September 30, 2022	1,581	–	23,870	175,197	43,281	218,479

(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
Balance as of April 1, 2023	27,781	–	80,543	(1,259)	8,878	11,829
Profit for the period			12,339			
Other comprehensive income					5,156	3,115
Total comprehensive income for the period	–	–	12,339	–	5,156	3,115
Dividends			(3,132)			
Dividends paid to non-controlling interests						
Acquisition of treasury stock				(2)		
Disposal of treasury stock		0		24		
Equity transactions with non-controlling interests		(313)				
Share-based payment transactions		108				
Put options granted to non-controlling interests		(41)				
Total transactions with owners	–	(246)	(3,132)	21	–	–
Transfer from retained earnings to capital surplus		246	(246)			
Transfer from other components of equity to retained earnings			46			(46)
Balance as of September 30, 2023	27,781	–	89,550	(1,237)	14,034	14,897

	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 plans	Total other components of equity			
Balance as of April 1, 2023	752	–	21,460	128,525	14,898	143,423
Profit for the period			–	12,339	1,118	13,457
Other comprehensive income	937		9,208	9,208	1,672	10,881
Total comprehensive income for the period	937	–	9,208	21,547	2,791	24,338
Dividends			–	(3,132)		(3,132)
Dividends paid to non-controlling interests			–	–	(185)	(185)
Acquisition of treasury stock			–	(2)		(2)
Disposal of treasury stock			–	24		24
Equity transactions with non-controlling interests			–	(313)	(942)	(1,255)
Share-based payment transactions			–	108		108
Put options granted to non-controlling interests			–	(41)		(41)
Total transactions with owners	–	–	–	(3,357)	(1,128)	(4,485)
Transfer from retained earnings to capital surplus			–	–		–
Transfer from other components of equity to retained earnings			(46)	–		–
Balance as of September 30, 2023	1,690	–	30,621	146,716	16,561	163,277

(4) Condensed consolidated statements of cash flows

(Million yen)

	FY2022 First half (From April 1, 2022 to September 30, 2022)	FY2023 First half (From April 1, 2023 to September 30, 2023)
Cash flows from operating activities:		
Profit for the period	14,915	13,457
Depreciation and amortization	6,678	7,117
Finance income and costs	558	1,609
Share of (profit) loss of investments accounted for using the equity method	110	424
(Gain) loss on sale or disposal of property, plant and equipment and intangible assets	88	(1,852)
Income tax expense	6,467	6,916
(Increase) decrease in trade and other receivables	(3,438)	(21,300)
(Increase) decrease in inventories	(23,575)	(7,051)
Increase (decrease) in trade and other payables	16,203	20,091
Increase (decrease) in retirement benefit liabilities	82	(12)
Other	(13,056)	(8,922)
Sub total	5,034	10,475
Interest received	107	260
Dividends received	722	1,421
Interest paid	(1,513)	(3,032)
Income taxes paid	(6,142)	(7,334)
Net cash provided by (used in) operating activities	(1,791)	1,789
Cash flows from investing activities:		
Payments for property, plant and equipment	(1,346)	(1,669)
Proceeds from sales of property, plant and equipment	731	3,517
Payments for intangible assets	(564)	(442)
Purchases of other investments	(876)	(3,774)
Proceeds from sale of other investments	165	685
Proceeds from (payments for) acquisition of subsidiaries	(4,616)	(447)
Payments for acquisition of businesses	(63)	(560)
Proceeds from business transfer	750	7
Increase in loans receivable	(795)	(601)
Proceeds from collection of loans receivable	180	1,276
Other	898	189
Net cash provided by (used in) investing activities	(5,535)	(1,818)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings (three months or less)	9,218	11,228
Proceeds from short-term borrowings (more than three months)	470	455
Repayment of short-term borrowings (more than three months)	(492)	(58,431)
Proceeds from long-term borrowings	3,400	48,881
Repayment of long-term borrowings	(7,660)	(8,946)
Redemption of bonds	(7)	(7)
Dividends paid	(2,917)	(3,126)
Payments to acquire subsidiary shares from non-controlling interests	-	(17,081)
Dividends paid to non-controlling interests	(1,088)	(365)
Repayments of lease liabilities	(4,213)	(4,592)
Other	(1)	(6)
Net cash provided by (used in) financing activities	(3,292)	(31,991)
Increase (decrease) in cash and cash equivalents, net	(10,619)	(32,020)
Cash and cash equivalents at the beginning of the period	91,420	79,462
Effect of exchange rate changes on cash and cash equivalents	1,484	825
Cash and cash equivalents at the end of the period	82,286	48,266

(5) Notes on condensed consolidated financial statements

(Notes on the going concern assumption)

Not applicable.

(Change in accounting policies)

The important accounting policies applied to the Group's condensed quarterly consolidated financial statements are same as the accounting policies applied to the consolidated financial statements for the previous fiscal year except for the following.

The application of the following standard does not have any material impact on the condensed quarterly consolidated financial statements.

Statement of accounting standard	Name of the standard	New / Revised
IAS 12	Income Taxes	Clarification of the accounting treatment of deferred tax on assets and liabilities that arose from a single transaction

(Segment information)

Profit figures for reportable segments are based on profit attributable to owners of the parent.

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

I. Previous first half (From April 1, 2022 to September 30, 2022)

(Million yen)

	Reported segments					Other (Note 1)	Adjustment (Note 2)	Consolidated
	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue								
External	134,521	172,844	92,169	42,654	442,189	7,269	–	449,459
Inter-segment	220	0	48	0	269	125	(395)	–
Total revenues	134,741	172,844	92,217	42,655	442,459	7,395	(395)	449,459
Operating profit (loss)	10,427	4,723	5,721	681	21,553	490	8	22,052
Segment profit (loss)	4,677	3,340	3,313	491	11,822	533	(143)	12,212

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

(Note 2) Adjustments are as follows.

- The adjustment of ¥8 million for segment profit (loss) includes an inter-segment elimination of ¥8 million.
- The adjustment of -¥143 million for segment profit (loss) includes an inter-segment elimination of ¥0 million and corporate expenses that are not allocated to any particular segment of -¥144 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. First half under review (From April 1, 2023 to September 30, 2023)

(Million yen)

	Reported segments					Other (Note 1)	Adjustment (Note 2)	Consolidated
	Electronics & Devices	Foods, Meat & Grain	Steel, Materials & Plant	Motor Vehicles & Aerospace	Sub-total			
Revenue								
External	147,593	170,649	105,573	44,212	468,029	6,100	–	474,129
Inter-segment	467	1	33	1	504	106	(610)	–
Total revenues	148,061	170,650	105,607	44,214	468,533	6,206	(610)	474,129
Operating profit (loss)	9,843	5,329	5,083	1,703	21,961	438	8	22,407
Segment profit (loss)	6,202	2,518	2,106	1,119	11,946	471	(79)	12,339

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

(Note 2) Adjustments are as follows.

- The adjustment of ¥8 million for segment profit (loss) includes an inter-segment elimination of ¥8 million.
- The adjustment of -¥79 million for segment profit (loss) includes an inter-segment elimination of ¥9 million and corporate expenses that are not allocated to any particular segment of -¥89 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.

(Significant subsequent events)

Not applicable.