



# Closing Announcement of First Quarter of the Fiscal Year Ending March 31, 2022 [Japanese Standards] (Consolidated)

July 29, 2021

Name of Listed Company:	Arisawa Mfg. Co., Ltd.	Listed on the Tokyo Stock Exchange
Code No.:	5208	(URL <a href="http://www.arisawa.co.jp/">http://www.arisawa.co.jp/</a> )
Representative:	Representative Director and CEO:	Yuta Arisawa
Contact Person:	Senior Operating Officer, Corporate Planning Department:	Takeshi Masuda
		TEL: 025-524-7101
Scheduled Date of Submitting Financial Report: August 10, 2021		
Scheduled Date of Commencement of Dividend Payment: ---		
Whether supplementary explanation materials for the closing are prepared: No		
Whether explanation meeting is held for the closing: No		

(Indicated by rounding off an amount less than 1 million yen)

## 1. Consolidated Results in First Quarter of the Fiscal Year Ending March 31, 2022 (From April 1, 2021 to June 30, 2021)

### (1) Consolidated Operating Results (Cumulative)

(% indication shows the increase or decrease rate from the same quarter of previous year)

	Sales		Operating profit		Ordinary profit		Net profit attributable to owners of the parent	
	(million yen)	%	(million yen)	%	(million yen)	%	(million yen)	%
First Quarter of the Fiscal Year Ending March 31, 2022	10,785	---	1,032	---	1,060	---	777	---
First Quarter of the Fiscal Year Ended March 31, 2021	10,597	0.5	748	48.9	732	23.2	428	71.2

(Note) Comprehensive income: First Quarter of the Fiscal Year Ending March 31, 2022: 807 million yen (---%)  
First Quarter of the Fiscal Year Ended March 31, 2021: 727 million yen (---%)

	Net profit per share		Fully diluted net profit per share	
	(Yen, Sen)		(Yen, Sen)	
First Quarter of the Fiscal Year Ending March 31, 2022	23.31		23.28	
First Quarter of the Fiscal Year Ended March 31, 2021	12.89		12.87	

From the beginning of the year ending March 31, 2022, the “Accounting Standard for Revenue Recognition”, etc., have been applied. Therefore, the rate of increase or decrease from the actual figures before the application of this Standard, etc., is not stated.

### (2) Consolidated Financial Conditions

	Total assets	Net assets	Net worth ratio	Net asset per share
	(million yen)	(million yen)	%	(Yen, Sen)
First Quarter of the Fiscal Year Ending March 31, 2022	67,764	46,474	67.3	1,366.51
Fiscal Year Ended March 31, 2021	67,257	47,444	68.8	1,388.50

(Reference) Net worth: First Quarter of the Fiscal Year Ending March 31, 2022: 45,578 million yen  
Fiscal Year Ended March 31, 2021: 46,284 million yen

## 2. Status of Dividend

	Annual dividend				
	End of 1 <sup>st</sup> quarter	End of 2 <sup>nd</sup> quarter	End of 3 <sup>rd</sup> quarter	End of year	Annual
	(Yen, Sen)				
Fiscal Year Ended March 31, 2021	---	0.00	---	39.00	39.00
Fiscal Year Ending March 31, 2022	---	---	---	---	---
Fiscal Year Ending March 31, 2022 (Forecast)	---	---	---	---	---

(Note) Existence of adjustment from the most recently announced dividend forecast: None

Dividends for the fiscal year ending March 31, 2022 have yet to be determined.

## 3. Expected Consolidated Results for Fiscal Year Ending March 31, 2022 (From April 1, 2021 to March 31, 2022)

(% indication shows the increase or decrease rate from the previous year for full-year and from the same quarter of previous year for each quarter)

	Sales		Operating profit		Ordinary profit		Net profit attributable to owners of the parent		Net profit per share
	(million yen)	%	(million yen)	%	(million yen)	%	(million yen)	%	(Yen, Sen)
Second Quarter (Cumulative)	21,800	---	1,900	---	1,900	---	1,150	---	34.48
Full Year	43,900	---	3,300	---	3,500	---	2,100	---	62.96

(Note) Existence of adjustment from the most recently announced forecast of business results: Yes

For details of adjustment of Forecast of Consolidated Business Results, please refer to the “Notice of Adjustment of Forecast of Business Results,” released as of this day (July 29, 2021).

From the beginning of the year ending March 31, 2022, the “Accounting Standard for Revenue Recognition”, etc., have been applied. Therefore, the rate of increase or decrease from the actual figures before the application of this Standard, etc., is not stated.

\* Notes

- (1) Changes in material subsidiaries during the current consolidated cumulative quarter (changes in specified subsidiaries accompanying changes in scope of consolidation): None  
 New: --- (Company Name: ) Exclusion: --- (Company Name: )
- (2) Application of accounting particular to preparation of quarterly consolidated financial statements: Yes  
 (Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Major Notes (3) Notes to Quarterly Consolidated Financial Statements (Application of Accounting Particular to Preparation of Quarterly Consolidated Financial Statements)” on page 9 in the attached materials.
- (3) Changes in accounting policy, changes in accounting estimates and restatement
- |   |      |
|---|------|
| 1) Changes in accounting policy in connection with the amendment of accounting standards, etc.: | Yes  |
| 2) Changes in accounting policy other than 1) above:  | None |
| 3) Changes in accounting estimate:  | None |
| 4) Restatement:   | None |

(4) Number of outstanding shares (common stocks)

1) Number of outstanding shares at the end of year (including treasury stocks):	1Q of Fiscal Year Ending March 31, 2022:	34,490,324 shares	Fiscal Year Ended March 31, 2021:	34,470,524 shares
2) Number of treasury stocks at the end of year:	1Q of Fiscal Year Ending March 31, 2022:	1,136,197 shares	Fiscal Year Ended March 31, 2021:	1,136,189 shares
3) Average number of shares during the year (cumulative quarter)	1Q of Fiscal Year Ending March 31, 2022:	33,340,548 shares	1Q of Fiscal Year Ended March 31, 2021:	33,247,643 shares

\* The quarterly closing announcement is not subject to quarterly review by a certified public accountant or an audit corporation.

\* Explanation about Appropriate Use of the Forecast of Business Results and other Matters to be Noted

Description regarding the future such as the forecast of business results stated in this material is based on information which the Company has currently obtained and certain assumptions that the Company determines to be reasonable, although actual results may significantly differ from the forecast depending on various factors.

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## 1. Qualitative Information concerning Current Quarterly Closing Announcement

### (1) Explanation about Business Results

The Japanese economy in the current first quarter consolidated cumulative period has been significantly affected by the economic stagnation due to the novel coronavirus (COVID-19) infections on a global scale. In addition, vaccinations in response to COVID-19 have started, but the outlook for the economy remains uncertain due to the uncertainty surrounding the prospects of containing the COVID-19 pandemic and there is concern that the impact on business results will be prolonged.

Under such circumstances, the Company Group (the Company, consolidated subsidiaries and the companies to which the equity method is applied) recorded steady sales of electronic materials, therefore, as for business results in the current first quarter cumulative period, sales were ¥10,785 million (an increase of 1.8%\*). For profit and loss, operating profit was ¥1,032 million (an increase of 37.9%\*), ordinary profit was ¥1,060 million (an increase of 44.8%\*) and quarterly net profit attributable to owners of the parent was ¥777 million (an increase of 81.3%\*).

\*From the beginning of the current first quarter, the “Accounting Standard for Revenue Recognition”, etc., have been applied. The rate of increase or decrease in parentheses shows a simple comparison between the actual results in the current period and those in the previous period before application of the “Accounting Standard for Revenue Recognition”, etc.

Business results of each segment were as follows.

#### (Electronic materials)

Due to the steady progress in sales of flexible printed circuit board materials, etc., sales were ¥7,664 million (an increase of 11.2%\*) and segment profit was ¥959 million (an increase of 24.8%\*).

#### (Industrial application structural materials)

Due to a decrease in sales of aircraft materials, etc., sales were ¥1,627 million (a decrease of 27.0%\*) and segment profit was ¥173 million (a decrease of 24.7%\*).

#### (Electric insulation materials)

Due to a decrease in sales of insulation materials for heavy electric machinery, sales were ¥592 million (a decrease of 5.3%\*) and segment profit was ¥54 million (an increase of 14.6%\*).

#### (Display materials)

Due to an increase in sales of devices utilizing polarization by ColorLink Japan, Ltd., etc., sales were ¥769 million (an increase of 33.9%\*) and segment profit was ¥205 million (an increase of 7737.8%\*).

#### (Other)

Sales were ¥131 million (a decrease of 52.5%\*).

## (2) Explanation about Financial Conditions

Total assets at the end of the current consolidated first quarter were ¥67,764 million, an increase of ¥507 million as compared with the end of the previous consolidated fiscal year. This was mainly due to increases in merchandise and finished goods of ¥489 million and in raw materials and stores of ¥452 million, offset by a decrease in cash and deposits of ¥517 million, etc. Liabilities were ¥21,290 million, an increase of ¥1,478 million as compared with the end of the previous consolidated fiscal year. This was mainly due to increases in short-term borrowings (including the current portion of long-term borrowings) of ¥574 million, in reserve for bonuses of ¥333 million and in notes and accounts payable of ¥224 million, etc. Net assets were ¥46,474 million, a decrease of ¥970 million as compared with the end of the previous consolidated fiscal year. This was due to decreases in earned surplus of ¥482 million and in capital surplus of ¥432 million, etc.

## (3) Explanation about Future Forecast Information, including Forecast of Consolidated Business Results

As a result of a review of the application of the “Accounting Standard for Revenue Recognition”, etc., based on the forecast of orders received in the future, sales for the full-year are expected to be lower than the forecasted figures in the previous announcement. Based on the consolidated business results in the current first quarter, as demand for electronic materials mainly for use in multifunctional handheld devices and data centers is expected to progress steadily, we revised as follows the forecast of consolidated (cumulative) business results for the second quarter of the fiscal year ending March 31, 2022 and the forecast of consolidated business results for the full-year of the fiscal year ending March 31, 2022.

Adjustment of forecasted figures of consolidated (cumulative) business results for the second quarter of the fiscal year ending March 31, 2022

(From April 1, 2021 to September 30, 2021)

	Sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net profit attributable to owners of the parent (million yen)	Net profit per share (yen)
Previously announced forecast (A)	21,800	1,400	1,400	850	25.50
This forecast adjustment (B)	21,800	1,900	1,900	1,150	34.48
Increase or decrease (B-A)	0	500	500	300	
Increase or decrease ratio (%)	0.0	35.7	35.7	35.3	
(Reference) Results of the 2 <sup>nd</sup> quarter of the previous year (Fiscal Year Ended March 31, 2021)	22,203	1,375	1,347	853	25.67

## Adjustment of forecasted figures of consolidated business results for the full-year of the fiscal year ending March 31, 2022

(From April 1, 2021 to March 31, 2022)

	Sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net profit attributable to owners of the parent (million yen)	Net profit per share (yen)
Previously announced forecast (A)	44,400	2,800	3,000	1,800	54.00
This forecast adjustment (B)	43,900	3,300	3,500	2,100	62.96
Increase or decrease (B-A)	△500	500	500	300	
Increase or decrease ratio (%)	△1.1	17.9	16.7	16.7	
(Reference) Results of the previous year (Fiscal Year Ended March 31, 2021)	46,439	3,118	3,578	2,160	64.94

(Note) The above forecast of business results are based on information which the Company has currently obtained and certain assumptions determined to be reasonable by the Company, although actual results may vary significantly depending on various factors in the future.

## 2. Quarterly Consolidated Financial Statements and Major Notes

## (1) Quarterly Consolidated Balance Sheet

(Unit: thousand yen)

	Previous Consolidated Fiscal Year (As of March 31, 2021)	Current Consolidated First Quarter (As of June 30, 2021)
Assets		
Current Assets		
Cash and deposits	13,215,508	12,697,649
Notes and accounts receivable	16,766,218	---
Notes receivable, accounts receivable and contract assets	---	17,049,610
Securities	1,242,430	1,398,297
Merchandise and finished goods	3,896,377	4,385,793
Work-in-progress	2,175,632	2,175,414
Raw materials and stores	3,026,247	3,478,974
Accrued refunded corporation tax, etc.	1,415,974	1,415,974
Other	778,645	706,182
Allowance for doubtful accounts	△161,830	△158,372
Total Current Assets	42,355,204	43,149,524
Fixed Assets		
Tangible fixed assets	13,217,395	13,377,264
Intangible fixed assets	244,870	237,035
Investments and other assets		
Investment securities	10,666,038	10,245,859
Other	788,832	769,857
Allowance for doubtful accounts	△14,923	△14,600
Total investments and other assets	11,439,946	11,001,117
Total Fixed Assets	24,902,213	24,615,417
Total Assets	67,257,417	67,764,941

(Unit: thousand yen)

	Previous Consolidated Fiscal Year (As of March 31, 2021)	Current Consolidated First Quarter (As of June 30, 2021)
<b>Liabilities</b>		
Current Liabilities		
Notes and accounts payable	6,657,426	6,882,215
Bonds to be redeemed within a year	36,800	36,800
Short-term borrowings	3,606,087	3,792,537
Current portion of long-term borrowings	182,724	570,724
Corporate income tax, etc., payable	277,821	425,335
Reserve for bonuses	535,756	869,676
Reserve for officers' bonuses	3,870	975
Other	2,817,772	2,878,159
Total Current Liabilities	14,118,258	15,456,423
Fixed Liabilities		
Bonds payable	54,400	36,000
Long-term borrowings	3,761,507	3,957,499
Net defined benefit liabilities	607,032	594,030
Asset retirement obligations	89,466	91,312
Other	1,181,934	1,155,501
Total Fixed Liabilities	5,694,340	5,834,344
Total Liabilities	19,812,598	21,290,767
<b>Net Assets</b>		
Shareholders' equity		
Capital	7,623,638	7,629,915
Capital surplus	4,403,396	3,971,325
Earned surplus	33,374,092	32,891,213
Treasury stock	△1,159,364	△1,159,372
Total shareholders' equity	44,241,763	43,333,081
Accumulated other comprehensive income		
Valuation difference on other securities	1,569,049	1,428,055
Deferred hedge profit or loss	△8,237	△8,115
Foreign currency translation adjustments	486,242	825,948
Accumulated adjustment for retirement benefits	△3,959	△201
Total accumulated other comprehensive income	2,043,095	2,245,686
Stock acquisition right	193,962	169,152
Non-controlling interest	965,997	726,252
Total Net Assets	47,444,819	46,474,173
Total Liabilities and Net Assets	67,257,417	67,764,941



(2) Quarterly Consolidated Profit and Loss Statement and Consolidated Statement of Comprehensive Income  
 (Quarterly Consolidated Profit and Loss Statement)  
 (Consolidated Cumulative First Quarter)

(Unit: thousand yen)

	Previous Consolidated Cumulative First Quarter (From April 1, 2020 to June 30, 2020)	Current Consolidated Cumulative First Quarter (From April 1, 2021 to June 30, 2021)
Sales	10,597,738	10,785,102
Cost of Goods Sold	8,661,599	8,449,150
Gross Profit on Sales	1,936,138	2,335,951
Selling, General and Administrative Expenses	1,187,234	1,302,972
Operating Profit	748,904	1,032,979
Non-operating Income		
Interest income	75,622	47,871
Dividend income	44,182	36,273
Profit on redemption of investment securities	4,368	34,309
Other	39,048	36,262
Total Non-operating Income	163,222	154,716
Non-operating Expenses		
Interest expenses	29,157	28,481
Foreign currency exchange loss	58,851	45,474
Loss on redemption of investment securities	38,697	---
Other	52,740	53,133
Total Non-operating Expenses	179,447	127,089
Ordinary Profit	732,678	1,060,606
Extraordinary Profits		
Profit on sale of fixed assets	---	1,478
Profit on reversal of stock acquisition rights	1,399	37,409
Total Extraordinary Profits	1,399	38,887
Extraordinary Losses		
Loss on retirement of fixed assets	4,138	4,166
Total Extraordinary Losses	4,138	4,166
Net profit before taxes, etc.	729,939	1,095,327
Corporate income tax, etc.	251,184	268,535
Net profit	478,755	826,791
Net profit attributable to non-controlling interests	50,118	49,571
Net profit attributable to owners of the parent	428,636	777,220

(Quarterly Consolidated Statement of Comprehensive Income)  
(Consolidated Cumulative First Quarter)

(Unit: thousand yen)

	Previous Consolidated Cumulative First Quarter (From April 1, 2020 to June 30, 2020)	Current Consolidated Cumulative First Quarter (From April 1, 2021 to June 30, 2021)
Net profit	478,755	826,791
Other comprehensive income		
Valuation difference on other securities	569,862	△140,994
Deferred hedge profit or loss	1,417	122
Foreign currency translation adjustments	△338,533	108,914
Adjustment for retirement benefits	18,235	3,757
Share of other comprehensive income of companies to which equity method is applied	△2,353	9,194
Total other comprehensive income	248,628	△19,005
Comprehensive income	727,383	807,786
(Breakdown)		
Comprehensive income attributable to owners of the parent	825,697	979,812
Comprehensive income attributable to non- controlling interests	△98,313	△172,025

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Assumptions on a Going Concern)

No applicable matter.

(Explanatory Note in Case of Significant Changes in the Amount of Shareholders' Equity)

No applicable matter.

(Application of Accounting Particular to Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

For tax expenses, the effective tax rate is reasonably estimated after application of tax effect accounting for net profit before taxes in the consolidated fiscal year including the current consolidated first quarter and these are calculated by multiplying the quarterly net profit before taxes by the estimated effective tax rate.

(Changes in Accounting Policy)

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

“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the “Revenue Recognition Accounting Standard”), etc., have been applied from the beginning of the current consolidated first quarter and the Company recognizes revenue at the amount expected to be received in exchange for goods or services when control of the promised goods or services is transferred to the customer.

As a result, for transactions where the role of the Company falls under an agent of sales of products to customers, total amount of considerations received from customers have previously been recognized as revenue, but the method has been changed to recognize revenue at the net amount, subtracting the amount paid to third parties from the total amount of considerations. In addition, with regard to transactions of providing parts to suppliers with compensation for which the Company bears a repurchase obligation, the amount equivalent to the ending inventory of those parts retained by suppliers are recognized as liabilities. Further, with regard to transactions related to purchasing parts from suppliers for which the Company bears a sell-back obligation, sales and cost of goods sold have previously been recorded at the time of sell-back to suppliers of parts, but the method was changed to recognize only the net amount equivalent to processing cost as revenue. Further, for sales to some customers, in connection with transfer of control over assets to customers for a certain period, the method of recognizing revenue for a certain period according to the progress of manufacture was adopted.

For application of the Revenue Recognition Accounting Standard, etc., the Company complies with the transitional treatment prescribed in the Revenue Recognition Accounting Standard, paragraph 84, proviso. The cumulative effects resulting from retroactive application of the new accounting policy before the beginning of the current consolidated first quarter are added to or subtracted from earned surplus at the beginning of the current consolidated first quarter and the new accounting policy has been applied from the balance at the beginning of the period; provided, however, that by applying the method prescribed in the Revenue Recognition Accounting Standard, paragraph 86, the new accounting policy has not been retroactively applied to contracts for which almost all revenue has been recognized in accordance with the previous accounting before the beginning of the current consolidated first quarter. With respect to contract amendments which were made before the beginning of the current consolidated first quarter, accounting was made under the terms of contract after reflecting all contract amendments by applying the method prescribed in the Revenue Recognition Accounting Standard, paragraph 86, (1) and the cumulative effects were added to or subtracted from earned surplus at the beginning of the current consolidated first quarter.

As a result, in the current first quarter consolidated cumulative period, sales decreased by ¥1,030,756 thousand and cost of goods sold decreased by ¥1,016,049 thousand and operating profit, ordinary profit and net profit before taxes, etc., decreased by ¥14,706 thousand respectively. The balance of earned surplus at the beginning of the current quarter increased by ¥39,939 thousand.

As the Revenue Recognition Accounting Standard, etc., have been applied, “notes and accounts receivable” indicated in “current assets” in the consolidated balance sheet for the previous consolidated fiscal year are included in “notes receivable, accounts receivable and contract assets” from the current consolidated first quarter. According to the transitional treatment prescribed in the Revenue Recognition Accounting Standards, paragraph 89-2, reclassification has not been made by the new indication method regarding the previous consolidated fiscal year. In addition, in accordance with the transitional treatment prescribed in the “Accounting Standard for Quarterly Financial Reporting” (ASBJ Statement No. 12, March 31, 2020), paragraph 28-15 (ASBJ Statement No. 12, March 31, 2020), the information related to the disaggregation of the revenue

accruing from contracts with customers for the previous consolidated cumulative first quarter was not stated.

(Application of Accounting Standard for Fair Value Measurement, etc.)

“Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the “Fair Value Measurement Standard”), etc., have been applied from the beginning of the current consolidated first quarter. In accordance with the transitional treatment prescribed in the Fair Value Measurement Standard, paragraph 19 and the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), paragraph 44-2, the new accounting policy prescribed in the Fair Value Measurement Standard, etc., is applied into the future. There is no impact due to this application.

(Additional Information)

(Accounting Estimate)

There was no material change in the assumptions, including the timing of the convergence of the novel coronavirus infections etc., and accounting estimates, which were stated in the Financial Report for previous business year.

(Segment Information, etc.)

[Segment Information]

I Previous consolidated cumulative first quarter (From April 1, 2020 to June 30, 2020)

1. Information about the amount of sales and profit/loss by reportable segment

(Unit: thousand yen)

	Reportable segment					Other (Note)	Total
	Electronic materials	Industrial application structural materials	Electric insulation materials	Display materials	Total		
Sales							
Sales to external customers	6,890,091	2,231,013	625,577	575,207	10,321,889	275,849	10,597,738
Intersegment sales or transfers	---	---	---	---	---	203,767	203,767
Total	6,890,091	2,231,013	625,577	575,207	10,321,889	479,616	10,801,506
Segment profit	768,601	229,779	47,326	2,626	1,048,334	55,823	1,104,158

(Note) The category “Other” means business segments which are not included in the reportable segments and includes related goods sales, logistics related businesses and other businesses, etc.

2. Difference between the total amount of profit/loss of reportable segments and the amount shown in the quarterly consolidated profit and loss statement and major details for the difference (matters concerning difference adjustment)

(Unit: thousand yen)

Profit	Amount
Total of reportable segments	1,048,334
Profit in category “Other”	55,823
Elimination of intersegment transactions	2,230
Expenses of entire company (Note)	△334,670
Adjustment of inventories	△22,814
Operating profit in quarterly consolidated profit and loss statement	748,904

(Note) Expenses of the entire company are mainly general and administrative expenses not attributable to reportable segments.

3. Information about loss on impairment of fixed assets or goodwill, etc., by reportable segment

No applicable matter.

## II Current consolidated cumulative first quarter (From April 1, 2021 to June 30, 2021)

## 1. Information related to the amount of sales and profit/loss by reportable segment and information related to the disaggregation of revenue

(Unit: thousand yen)

	Reportable segment					Other (Note)	Total
	Electronic materials	Industrial application structural materials	Electric insulation materials	Display materials	Total		
Sales							
Sales to external customers	7,664,109	1,627,799	592,168	769,940	10,654,017	131,084	10,785,102
Intersegment sales or transfers	---	---	---	---	---	205,543	205,543
Total	7,664,109	1,627,799	592,168	769,940	10,654,017	336,627	10,990,645
Segment profit	959,309	173,085	54,241	205,851	1,392,488	55,305	1,447,793

(Note) The category "Other" means business segments which are not included in the reportable segments and includes related goods sales, logistics related businesses and other businesses, etc.

## 2. Difference between the total amount of profit/loss of reportable segments and the amount shown in the quarterly consolidated profit and loss statement and major details for the difference (matters concerning difference adjustment)

(Unit: thousand yen)

Profit	Amount
Total of reportable segments	1,392,488
Profit in category "Other"	55,305
Elimination of intersegment transactions	4,426
Expenses of entire company (Note)	△394,719
Adjustment of inventories	△24,521
Operating profit in quarterly consolidated profit and loss statement	1,032,979

(Note) Expenses of the entire company are mainly general and administrative expenses not attributable to reportable segments.

## 3. Information about loss on impairment of fixed assets or goodwill, etc., by reportable segment

No applicable matter.