

Consolidated Financial Results for the 3rd Quarter of Fiscal Year Ending March 31, 2016 (J-GAAP)

February 5, 2016

Company name: T.RAD Co., Ltd.

Code No.: 7236

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Scheduled date of filing of 3rd quarter securities report:

Scheduled date of start of dividend payments:

Supplemental materials prepared for consolidated financial results: None

Briefing on consolidated financial results: None

Listing: Tokyo Stock Exchange, First Section

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February 8, 2016

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(Amounts less than one million yen have been truncated)

1. Consolidated Financial Performance for the 3rd Quarter of Fiscal Year Ending March 31, 2016

(April 1, 2015 to December 31, 2015)

(1) Consolidated operating performance

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2015	76,168	3.2	1,002	-53.1	1,261	-50.7	620	134.4
Nine months ended December 31, 2014	73,835	6.8	2,136	-26.8	2,558	-30.1	264	-83.6

Note: Comprehensive income

Nine months ended December 31, 2015: ¥(1,156) million —%

Nine months ended December 31, 2014: ¥1,502 million -56.5%

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended December 31, 2015	7.55		—	
Nine months ended December 31, 2014	3.22		—	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Nine months ended December 31, 2015	81,381	43,279	51.8	513.64
Fiscal year ended March 31, 2015	82,408	44,848	53.0	531.56

Reference: Shareholders' equity

As of December 31, 2015 : ¥42,191 million

As of March 31, 2015 : ¥43,667 million

2. Dividends

	Dividends per Share				
	1Q	2Q	3Q	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	4.00	—	2.00	6.00
Fiscal year ending March 31, 2016	—	3.00	—		
Fiscal year ending March 31, 2016 (Forecast)				—	—

Note: Revisions to the forecast of dividends since the latest official announcement: None

The scheduled dividend amount for the fiscal year ending March 31, 2016 has yet to be determined as of the time of the release of this document.

3. Forecast of Consolidated Financial Performance for the Fiscal Year Ending March 31, 2016

(April 1, 2015 to March 31, 2016)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2016	103,400	0.0	1,000	-69.7	1,200	-67.2	100	-79.4	1.22

Note: Revisions to the forecast of consolidated financial performance since the latest official announcement: None

4. Other

- (1) Changes in significant subsidiaries during the current quarter
(changes in specific subsidiaries resulting in changes in the scope of consolidation): None
- (2) Adoption of specific accounting policies for quarterly consolidated financial statements: None
- (3) Changes in accounting principles, estimation procedures or presentation methods
 - 1) Changes associated with revision of accounting standards: Yes
 - 2) Changes other than 1): None
 - 3) Changes accounting estimation procedures: None
 - 4) Changes in presentation methods: None
- (4) Number of shares issued and outstanding (common stock)
 - 1) Number of shares issued and outstanding at end of period (including treasury stock)
As of December 31, 2015 : 83,444,057 shares
As of March 31, 2015 : 83,444,057 shares
 - 2) Number of shares of treasury stock at end of period
As of December 31, 2015 : 1,301,364 shares
As of March 31, 2015 : 1,293,921 shares
 - 3) Average number of shares outstanding during the period
Nine months ended December 31, 2015: 82,146,301 shares
Nine months ended December 31, 2014: 82,154,820 shares

* Notice regarding review procedure for the quarterly consolidated financial statements

At the time of disclosure of this report, the procedures for review of quarterly consolidated financial statements, pursuant to the "Financial Instruments and Exchange Act" of Japan, have not been completed.

* Summaries for relevant use of forecasts and other specific affairs

This report contains projections of performance and other projections based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ materially from these projections resulting from changes in the economic environment and other risks and uncertainties.

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1. Qualitative Information for the Third Quarter of Fiscal Year Ending March 31, 2016

(1) Consolidated financial performance

In terms of the Japanese economy in the first nine months of the fiscal year under review, while a positive earnings environment has continued, the economic outlook is deteriorating due to rising interest rates in the United States, a slowdown in the economies of China and the emerging countries, and the impact of low oil prices. Private consumption in Japan has also been on a sluggish recovery pace since the hike in the consumption tax rate last April.

Under these circumstances, net sales of the TRAD Group on a foreign currency basis rose year on year in the United States, Asia, and China, but fell year on year in Japan and Europe. Operating income rose in Japan, but declined sharply in the United States, Europe, and Asia. Profit attributable to owners of parent increased in comparison to the same period of the previous fiscal year, due to a decrease in extraordinary loss.

Therefore, in the first nine months of the fiscal year under review, net sales increased 2,333 million yen from the same period of the previous fiscal year to 76,168 million yen (up 3.2% year on year); operating income decreased 1,135 million yen to 1,002 million yen (down 53.1% year on year); ordinary income decreased 1,298 million yen to 1,261 million yen (down 50.7% year on year); and profit attributable to owners of parent increased 356 million yen to 620 million yen.

The segment results are as follows.

The book-closing date for consolidated subsidiaries for the first nine months of the fiscal year under review is September 30. In preparing the consolidated financial statements, financial statements as of and for the nine-month period ended on this date were used. With respect to material transactions conducted during the period between this date and the book-closing date for consolidated accounting, we have made adjustments as necessary for consolidated accounting. The segments impacted by such adjustments are the United States, Europe, Asia and China.

The book-closing date for three domestic subsidiaries changed from December 31 to March 31 from the first nine months of the fiscal year under review. The segment impacted by such adjustments is Other.

	Net Sales				Operating Income (Loss)			
	Nine months ended December 31, 2014	Nine months ended December 31, 2015	Increase/Decrease	Percentage change (on a foreign currency basis)*	Nine months ended December 31, 2014	Nine months ended December 31, 2015	Increase/Decrease	Percentage change (on a foreign currency basis)*
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
Japan	41,058	38,899	-2,159	-5.3	(713)	(170)	543	76.1
United States	13,733	16,984	3,250	12.8	616	(497)	-1,114	-173.5
Europe	2,603	2,364	-239	-3.3	(152)	(242)	-90	-256.5
Asia	9,782	9,756	-26	3.4	1,267	712	-554	-41.3
China	5,900	6,384	484	1.3	1,009	996	-13	-7.7
Other (including eliminations)	755	1,778	1,023	135.3	107	202	94	87.4
Total	73,835	76,168	2,333	1.5	2,136	1,002	-1,135	-56.4

*The percentage changes (on a foreign currency basis) in the chart are the percentage changes after correcting for differences arising from fluctuations in the foreign exchange rates applicable to overseas net sales.

(i) Japan

Net sales of products for the automobile industry rose slightly year on year, despite the negative effect caused by the rise in the light vehicle tax, due to strong performance in finished automobile exports for major clients mainly in North America. Net sales of products for construction and industrial machines fell significantly due to the impact of declining orders as a result of production adjustments at major clients. Net sales of products for air conditioners were hit by declining orders due to inclement weather during this summer. As a result, net sales in the Japan segment amounted to 38,899 million yen, down 2,159 million yen year on year.

Operating loss improved 543 million yen year on year to 170 million yen.

(ii) United States

Net sales of products for the automobile industry recorded a significant year-on-year increase due to rising orders from major clients, driven by the solid economy in the United States, and the commencement of mass production of models for which we had received new orders. Net sales of products for construction and industrial machines rose due to the commencement of mass production of models for which we had received new orders. Consequently, net sales in the United States segment, when converted to yen, rose 3,250 million yen to 16,984 million yen, boosted by foreign exchange factors.

Operating loss of 497 million yen was recorded, a decline of 1,114 million yen from the operating income posted in the same period of the previous fiscal year, affected by higher than expected increases in personnel, scrap, transport costs, etc. associated with production disorder from a sudden increase in orders.

(iii) Europe

Although deteriorating economic conditions in Russia led to disappointing sales of existing models to customers, net sales of products for the automobile industry increased year on year due to the commencement of mass production of models for which we had received new orders. Net sales of products for air conditioners decreased significantly due to the effect of falling orders from major clients in the Czech Republic. As a result, net sales in the Europe segment declined by 239 million yen year on year to 2,364 million yen.

Operating loss of 242 million yen was posted, worsening by 90 million yen year on year.

(iv) Asia

Net sales of products for the automobile industry decreased due to the continued impact of the economic slowdown in Indonesia, which was partly offset by an increase in net sales in Thailand, driven by the commencement of mass production of models for which we had received new orders. Net sales of products for construction and industrial machines decreased due to lower orders caused by production adjustments at customers in Thailand. Consequently, net sales in the Asia segment decreased 26 million yen to 9,756 million yen due to foreign exchange factors despite a year-on-year increase on a foreign currency basis.

Operating income fell 554 million yen year on year to 712 million yen. On a foreign currency basis, operating income decreased 41.3% year on year.

(v) China

Net sales of products for the automobile industry were affected by falling orders caused by the slump in the Chinese market and posted a year-on-year decline. Net sales of products for construction and industrial machines also fell; nevertheless we entered the motor business, and commenced production. Consequently, net sales in the China segment rose 484 million yen year on year to 6,384 million yen, due to foreign exchange factors.

Operating income fell 13 million yen year on year to 996 million yen. On a foreign currency basis, operating income decreased 7.7% year on year.

(vi) Other

Net sales of products for the Other segment including business activities, such as the transportation business undertaken by our domestic subsidiaries, were 1,778 million yen, due to the impact of a year-on-year increase of 1,023 million yen. This was due to the recording of 12 months of sales resulting from the change in the book-closing date for three domestic subsidiaries in this segment from December 31 to March 31 from the first nine months of the fiscal year under review.

(2) Consolidated financial position

1) Assets, liabilities and net assets

Total assets at the end of the third quarter of the fiscal year under review fell 1,027 million yen compared with the end of the previous fiscal year, to 81,381 million yen, due to declines in the market value of investment securities, among other factors.

Total liabilities were 38,102 million yen, up 542 million yen, due mainly to a rise in loans payable.

Total net assets were 43,279 million yen, down 1,568 million yen, due mainly to the decrease in foreign currency translation adjustment.

2) Cash flows

Cash and cash equivalents at the end of the third quarter of the fiscal year under review totaled 6,111 million yen, a decrease of 1,693 million yen from the end of the previous fiscal year.

Net cash provided by operating activities was 2,834 million yen, a decrease of 461 million yen year on year. Net cash used in investing activities was 5,745 million yen, an increase of 88 million yen year on year. Net cash provided by financing activities was 1,378 million yen, an increase of 1,248 million yen.

(3) Future projections including forecasts of consolidated financial performance

The Company did not revise the forecast of consolidated financial performance released on November 6, 2015, as the financial results for the first nine months of the fiscal year under review were within the expected range.

2. Other Information

(1) Changes in significant subsidiaries during the current quarter

Not applicable

(2) Adoption of specific accounting policies for quarterly consolidated financial statements

Not applicable

(3) Changes in accounting principles, estimation procedures or presentation methods

(Adoption of Accounting Standard for Business Combinations and others)

The “Accounting Standard for Business Combinations” (ASBJ Statement No.21, September 13, 2013), the “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No.22, September 13, 2013), the “Accounting Standard for Business Divestitures” (ASBJ Statement No.7, September 13, 2013) and other accounting standards have been adopted from the first three months of the consolidated fiscal year under review. This has led to the implementation of changes in the presentation of net income and other related items and to a change in presentation from minority interests to non-controlling interests. In order to reflect these changes with regard to the first nine months of the previous consolidated fiscal year and the previous consolidated fiscal year, the quarterly consolidated financial statements and the consolidated financial statements have been reclassified.

(4) Additional information

(Changes to Items concerning the fiscal years of consolidated subsidiaries)

For the consolidated subsidiaries that had a book-closing date of December 31 in the past, namely Asuni Co., Ltd., Towa Unyu Co., Ltd., and Towa Kosan Co., Ltd., the financial statements of that date were used and the necessary adjustments for consolidation purposes were made for material transactions that took place in the period between the above book-closing date and the consolidated book-closing date. However, as these subsidiaries have changed their book-closing date to March 31, the first nine months of the fiscal year under review for these subsidiaries is the 12-month period from January 1, 2015 to December 31, 2015.

Note that this change will not have a material effect on the first nine months of the fiscal year under review.

3. Significant events concerning going concern assumptions

Not applicable

4. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheets

(Millions of yen)

	FY2014	FY2015_3Q
	As of March 31, 2015	As of December 31, 2015
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	7,450	5,836
Notes and accounts receivable-trade	19,426	19,885
Electronically recorded monetary claims-operating	1,422	1,858
Short-term investment securities	492	522
Merchandise and finished goods	1,608	1,877
Work in process	291	433
Raw materials and supplies	4,969	4,415
Deferred tax assets	797	691
Other current assets	3,084	3,203
Allowance for doubtful accounts	(34)	(40)
Total current assets	39,507	38,683
Noncurrent assets		
Tangible fixed assets		
Building and structures, net	6,400	6,036
Machinery, equipment and vehicles, net	12,892	12,405
Land	2,393	2,564
Lease assets, net	230	180
Construction in progress	4,475	6,036
Other tangible fixed assets, net	2,422	2,194
Total tangible fixed assets	28,815	29,418
Intangible assets		
Other intangible assets	842	763
Total intangible assets	842	763
Investments and other assets		
Investment securities	10,321	9,725
Long-term loans receivable	303	302
Net defined benefit asset	631	593
Deferred tax assets	28	22
Others	1,991	1,901
Allowance for doubtful accounts	(33)	(28)
Total investments and other assets	13,243	12,515
Total noncurrent assets	42,901	42,698
Total assets	82,408	81,381

(Millions of yen)

	FY2014	FY2015_3Q
	As of March 31, 2015	As of December 31, 2015
	Amount	Amount
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,555	14,633
Short-term loans payable	6,333	9,430
Lease obligations	754	711
Income taxes payable	350	263
Accrued expenses	2,206	2,345
Provision for bonuses	1,259	683
Provision for directors' bonuses	55	13
Provision for product warranties	68	85
Notes payable-facilities	125	175
Others	2,738	1,668
Total current liabilities	27,447	30,010
Noncurrent liabilities		
Long-term loans payable	5,225	4,271
Lease obligations	1,294	804
Deferred tax liabilities	3,343	2,788
Provision for directors' retirement benefits	7	0
Net defined benefit liability	26	27
Asset retirement obligations	87	88
Others	126	110
Total noncurrent liabilities	10,112	8,091
Total liabilities	37,560	38,102
(Net assets)		
Shareholders' equity		
Capital stock	8,545	8,545
Capital surplus	7,473	7,473
Retained earnings	22,290	22,500
Treasury stock	(403)	(405)
Total shareholders' equity	37,906	38,114
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,165	1,660
Foreign currency translation adjustment	2,875	1,701
Remeasurements of defined benefit plans	720	715
Total accumulated other comprehensive income	5,761	4,077
Subscription rights to shares	39	38
Non-controlling interests	1,140	1,049
Total net assets	44,848	43,279
Total liabilities and net assets	82,408	81,381

(2) Quarterly consolidated statements of income and quarterly consolidated statement of comprehensive income
(Quarterly consolidated statements of income)

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)	Nine months ended December 31, 2015 (Apr. 1, 2015–Dec. 31, 2015)
	Amount	Amount
Net sales	73,835	76,168
Cost of sales	65,691	69,240
Gross profit	8,143	6,927
Selling, general and administrative expenses		
Packing and delivery expenses	860	829
Salaries and allowances	1,490	1,540
Provision for bonuses	147	134
Provision for directors' bonuses	32	13
Retirement benefit expenses	75	59
Welfare expenses	545	651
Provision for product warranties	69	43
Research and development expenses	915	627
Other expenses	1,870	2,026
Total selling, general and administrative expenses	6,006	5,924
Operating income	2,136	1,002
Non-operating income		
Interest income	72	52
Dividends income	187	223
Equity in earnings of affiliates	215	243
Foreign exchange gains	35	—
Others	110	93
Total non-operating income	620	611
Non-operating expenses		
Interest expenses	135	135
Foreign exchange losses	—	187
Loss on investments in partnership	1	17
Bad debts expenses	52	—
Others	9	11
Total non-operating expenses	198	352
Ordinary income	2,558	1,261

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)	Nine months ended December 31, 2015 (Apr. 1, 2015–Dec. 31, 2015)
	Amount	Amount
Extraordinary income		
Gain on sales of noncurrent assets	0	45
Gain on sales of investment securities	207	—
Gain on reversal of subscription rights to shares	0	1
Total extraordinary income	208	47
Extraordinary loss		
Loss on sales of noncurrent assets	7	4
Loss on retirement of noncurrent assets	131	52
Loss on valuation of golf club membership	1	—
Surcharges	1,398	110
Total extraordinary loss	1,539	167
Income before income taxes	1,228	1,141
Income taxes-current	828	727
Income taxes-deferred	96	(189)
Total income taxes	925	538
Profit (loss)	303	603
Profit (loss) attributable to non-controlling interests	38	(17)
Profit (loss) attributable to owners of parent	264	620

(Quarterly consolidated statement of comprehensive income)

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)	Nine months ended December 31, 2015 (Apr. 1, 2015–Dec. 31, 2015)
	Amount	Amount
Profit (loss)	303	603
Other comprehensive income		
Valuation difference on available-for-sale securities	766	(505)
Foreign currency translation adjustment	255	(1,058)
Remeasurements of defined benefit plans, net of tax	24	(5)
Share of other comprehensive income of associates accounted for using equity method	151	(190)
Total other comprehensive income	1,198	(1,759)
Comprehensive income	1,502	(1,156)
(Breakdown)		
Comprehensive income attributable to owners of the parent	1,507	(1,063)
Comprehensive income attributable to non-controlling interests	(5)	(92)

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)	Nine months ended December 31, 2015 (Apr. 1, 2015–Dec. 31, 2015)
	Amount	Amount
Net cash provided by (used in) operating activities		
Income before income taxes	1,228	1,141
Depreciation and amortization	3,410	4,015
Retirement benefit expenses	38	(1)
Increase(decrease) in net defined benefit liability	(118)	38
Increase (decrease) in provision for directors' retirement benefits	1	(7)
Increase (decrease) in allowance for doubtful accounts	2	6
Increase (decrease) in provision for bonuses	(608)	(575)
Increase (decrease) in provision for directors' bonuses	(45)	(41)
Increase (decrease) in provision for product warranties	27	16
Loss on retirement of noncurrent assets	131	52
Loss(gain) on sales and retirement of non-current assets	6	(41)
Surcharges	1,398	110
Interest and dividends income	(257)	(275)
Interest expenses	135	135
Equity in (earnings) losses of affiliates	(215)	(243)
Decrease(increase) in notes and accounts receivable-trade	(2,105)	(1,199)
Decrease(increase) in inventories	(948)	(78)
Increase(decrease) in notes and accounts payable-trade	2,336	1,300
Loss (gain) on sales of securities	(207)	—
Decrease(increase) in other current assets	(274)	(96)
Increase (decrease) in other current liabilities	699	328
Other, net	(227)	112
Subtotal	4,406	4,697
Interest and dividends income received	507	505
Interest expenses paid	(132)	(135)
Income taxes paid	(1,174)	(905)
Surcharges paid	(310)	(1,327)
Net cash provided by (used in) operating activities	3,295	2,834

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)	Nine months ended December 31, 2015 (Apr. 1, 2015–Dec. 31, 2015)
	Amount	Amount
Net cash provided by (used in) investing activities		
Purchase of tangible fixed assets	(5,140)	(5,412)
Proceeds from sales of tangible fixed assets	7	159
Purchase of investment securities	(0)	(246)
Proceeds from sales of investment securities	369	—
Payments of loans receivable	(494)	—
Other, net	(397)	(246)
Net cash provided by (used in) investing activities	(5,656)	(5,745)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	670	394
Proceeds from long-term loans payable	793	1,953
Repayment of long-term loans payable	(164)	(110)
Proceeds from share insurance to non-controlling shareholders	26	1
Purchase of treasury stock	(2)	(1)
Cash dividends paid	(657)	(410)
Others	(535)	(447)
Net cash provided by (used in) financing activities	130	1,378
Effect of exchange rate change on cash and cash equivalents	198	(161)
Net increase (decrease) in cash and cash equivalents	(2,031)	(1,693)
Cash and cash equivalents at beginning of period	8,372	7,805
Cash and cash equivalents at end of period	6,341	6,111

(4) Notes to quarterly consolidated financial statements
 (Going concern assumptions)
 Not applicable

(Notes in the event of significant changes in shareholders' equity)
 Not applicable

(Segment information)

I Nine months ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

1. Net sales and profit (loss) by reportable segments

(Millions of yen)

	Reportable segment						Other (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	41,058	13,733	2,603	9,782	5,900	73,079	755	73,835
Intersegment sales or Transfers	4,380	135	2	96	336	4,950	2,230	7,181
Total	45,438	13,869	2,606	9,878	6,237	78,030	2,986	81,016
Segment income (loss)	(713)	616	(152)	1,267	1,009	2,028	189	2,218

Note: 1. Our Group consists of the Company and these overseas corporations which are based on a manufacturing and sales structure. As such, "Japan", "the United States", "Europe", "Asia" and "China" are our five reportable segments.

2. Major countries or regions belong to each reportable segment

Europe the Czech Republic, Russia

Asia Thailand, Indonesia, Vietnam

3. "Other" comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

2. Difference between total segment income (loss) for reportable segments and operating income on consolidated statements of income, and details of the difference (reconciliation of the difference)

(Millions of yen)

Income	Amount
Total segment income	2,028
Income for "Other"	189
Intersegment eliminations	(81)
Operating income on consolidated statements of income	2,136

3. Impairment loss on noncurrent assets and goodwill, etc., by reportable segment

(Significant impairment loss on noncurrent assets)

Not applicable

(Significant change in goodwill amount)

Not applicable

(Significant gain on bargain purchase)

Not applicable

II Nine months ended December 31, 2015 (from April 1, 2015 to December 31, 2015)

1. Net sales and profit (loss) by reportable segments

(Millions of yen)

	Reportable segment						Other (Note 3)	Total
	Japan	United States	Europe	Asia	China	Total		
Net Sales:								
Sales to outside customers	38,899	16,984	2,364	9,756	6,384	74,390	1,778	76,168
Intersegment sales or transfers	4,571	205	10	131	486	5,405	2,266	7,671
Total	43,471	17,189	2,374	9,888	6,871	79,795	4,044	83,839
Segment income (loss)	(170)	(497)	(242)	712	996	800	229	1,029

Note: 1. Our Group consists of the Company and these overseas corporations which are based on a manufacturing and sales structure. As such, “Japan”, “the United States”, “Europe”, “Asia” and “China” are our five reportable segments.

2. Major countries or regions belong to each reportable segment

Europe the Czech Republic, Russia

Asia Thailand, Indonesia, Vietnam

3. “Other” comprises business operations that are not categorized as reportable segments and includes the business activities of domestic subsidiaries, such as the transportation business.

2. Difference between total segment income (loss) for reportable segments and operating income on consolidated statements of income, and details of the difference (reconciliation of the difference)

(Millions of yen)

Income	Amount
Total segment income	800
Income for “Other”	229
Intersegment eliminations	(26)
Operating income on consolidated statements of income	1,002

3. Impairment loss on noncurrent assets and goodwill, etc., by reportable segment

(Significant impairment loss on noncurrent assets)

Not applicable

(Significant change in goodwill amount)

Not applicable

(Significant gain on bargain purchase)

Not applicable

5. Supplementary information

Sales states (consolidated)

(Millions of yen)

	Nine months ended December 31, 2014 (Apr. 1, 2014–Dec. 31, 2014)		Nine months ended December 31, 2015 (Apr. 1, 2015–Dec.31, 2015)		Increase/Decrease		FY2014 (Apr 1,2014-Mar 31,2015)	
	Amount	%	Amount	%	Amount	%	Amount	%
For Automobile	46,233	62.6	49,783	65.4	3,550	7.7	66,370	64.2
For Construction & Industrial machine	18,636	25.2	16,354	21.5	-2,281	-12.2	24,477	23.6
For Air conditioner	6,699	9.1	6,014	7.9	-685	-10.2	8,745	8.5
Other	2,265	3.1	4,014	5.2	1,749	77.2	3,849	3.7
Total	73,835	100.0	76,168	100.0	2,333	3.2	103,442	100.0

Notes: Amounts less than one million yen have been truncated.