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November 11, 2022

## Consolidated Financial Results for the Six Months Ended September 30, 2022 (Under Japanese GAAP)

Company name: YUASA TRADING CO., LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 8074  
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 Scheduled date to file quarterly securities report: November 14, 2022  
 Scheduled date to commence dividend payments: December 1, 2022  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended								
September 30, 2022	234,018	10.8	5,134	15.2	5,684	51.5	3,663	36.3
September 30, 2021	211,201	–	4,458	9.4	3,751	(18.2)	2,688	(9.2)

Note: Comprehensive income For the six months ended September 30, 2022: ¥3,848 million [182.5%]  
 For the six months ended September 30, 2021: ¥1,362 million [(65.0)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2022	167.11	166.31
September 30, 2021	121.61	120.83

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2022	248,013	93,234	37.4
March 31, 2022	259,413	92,605	35.5

Reference: Equity  
 As of September 30, 2022: ¥92,686 million  
 As of March 31, 2022: ¥91,981 million

## 2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	–	49.00	–	74.00	123.00
Fiscal year ending March 31, 2023	–	60.00			
Fiscal year ending March 31, 2023 (Forecast)			–	80.00	140.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Consolidated earnings forecasts for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	490,000	5.9	13,500	13.6	14,500	23.5	9,570	18.7	433.23

Note: Revisions to the earnings forecasts most recently announced: None

\* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
  - (ii) Changes in accounting policies due to other reasons: None
  - (iii) Changes in accounting estimates: None
  - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2022	23,155,882 shares
As of March 31, 2022	23,155,882 shares

- (ii) Number of treasury shares at the end of the period

As of September 30, 2022	1,456,385 shares
As of March 31, 2022	1,048,982 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2022	21,921,179 shares
Six months ended September 30, 2021	22,103,922 shares

Note: The shares of the Company held by the “Board Incentive Plan (BIP) Trust” are included in the number of treasury shares at the end of the period (171,096 shares as of September 30, 2022 and 188,917 shares as of March 31, 2022). Also, the shares of the Company held by the “Board Incentive Plan (BIP) Trust” are included in treasury shares that are deducted for calculation of the average number of shares outstanding during the period (cumulative from the beginning of the fiscal year) (180,007 shares for the six months ended September 30, 2022 and 192,523 shares for the six months ended September 30, 2021).

\* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters

(Caution regarding forward-looking statements)

The forward-looking statements, including earnings forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to realize such statements. Actual business and other results may differ substantially due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to “1. Qualitative Information Regarding Results for the First Six Months, (3) Explanation of consolidated earnings forecasts and other forward-looking statements” on page 5 of the attached material.

(Means of access to contents of financial results briefing)

The Company plans to hold a financial results briefing for institutional investors and analysts on Wednesday, November 16, 2022. The materials for this briefing is to be posted on the Company’s website promptly after the briefing.

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## 1. Qualitative Information Regarding Results for the First Six Months

### (1) Explanation of operating results

During the six months under review (April 1, 2022 to September 30, 2022), the Japanese economy showed signs of a recovery as economic activities normalized. Nevertheless, the outlook remained uncertain with the lack of prospects for the COVID-19 pandemic coming under control, in addition to soaring raw material and crude oil prices caused by the prolonged situation in Ukraine and the rapid depreciation of the yen.

In the industrial field, although supply chain disruptions and the supply shortage of on-vehicle semiconductors, etc. resulted in production adjustments and other effects, mainly in the automobile-related industry, demand for capital investment picked up at an accelerated pace and orders for machine tools, etc. increased. In the housing and construction field, public works investment and new construction, mainly condominiums, remained firm.

For overseas economies, economic recovery continued mainly in the U.S., although price rises for parts and materials and an increase in personnel expenses were observed. In Southeast Asian countries such as Thailand, Vietnam, and Indonesia, there were also signs of economic pickup, while in China, economic growth slowed due to the government's zero-COVID policy.

Under these circumstances, the Yuasa Trading Group entered the final year of its Midterm Management Plan "Growing Together 2023," which is the second stage of "Yuasa Vision 360." Aiming to evolve into a "TSUNAGU Service Integrated Shosha Group," we are executing various measures under the basic policies of "growth business strategy," "core business strategy," and "strengthening management foundation.

For "growth business strategy," we concentrated on the development and proposal of new products and services both in-house and jointly with other companies in fields such as climate change, infection countermeasures, labor-saving and automation measures, etc., based on the understanding that growth businesses are businesses that solve social issues.

For "core business strategy," we are strengthening and expanding our AI-based initiatives toward becoming a "TSUNAGU Service Integrated Shosha Group," which enables us to demonstrate our comprehensive strengths in one-stop. We are promoting proposal-based sales and marketing aimed at connecting AI with customers' manufacturing, home, environmental, and community development sites to enhance the advancement and efficiency of customers' on-site operations. We also relocated and expanded logistics centers in Kyushu mainly to upgrade services by enhancing product lineups and strengthening delivery functions as part of our efforts to improve logistics functions.

For "strengthening management foundation," in order to improve shareholder returns and capital efficiency, and to enable the execution of flexible capital policies in response to changes in the business environment, the Company has been implementing a share buyback program totaling up to 1,700,000 shares, for a total amount of ¥4.0 billion. In addition, as part of our efforts toward "ESG" and "SDGs," based on the Yuasa Trading Group's "Sustainability Declaration," we aim to be carbon neutral across the entire Yuasa Trading Group by 2030, as well as to actively disclose information related to ESG and climate change to contribute to building a sustainable society through our business activities.

Looking to grow into a "TSUNAGU Service Integrated Shosha Group," we held the TSUNAGU Grand Fair 2022 in five locations nationwide. We presented the latest products and solutions for solving social issues by creating new value in the areas of manufacturing, home, environmental, and community development and also held numerous seminars. In the Theme Zone, we also focused on proposal activities in accordance with on-site requests for AI and carbon neutrality initiatives.

As a result, consolidated net sales for the six months under review increased 10.8% from the same period of the previous fiscal year to ¥234,018 million. In terms of profits, operating profit was ¥5,134 million (up 15.2% year on year), ordinary profit was ¥5,684 million (up 51.5% year on year), and profit attributable to owners of parent was ¥3,663 million (up 36.3% year on year).

Results by reportable segment are as follows:

#### <Industrial Equipment & Tools Division>

In the Industrial Equipment & Tools Division, although plant utilization rates remained at a high level, mainly for semiconductor-related industries, supply shortages of on-vehicle semiconductors continued to have an impact, including production cutbacks, mainly in automobile-related industries. Demand for hydraulic equipment and inspection and measuring instruments, which are products the Company handles, remained firm, but the impact of longer delivery times was observed.

Under these circumstances, we promoted efforts for production sites to become carbon neutral, expanding sales of control-related equipment such as compressors with high energy-saving performance, and focused on proposals for automation and streamlining of production sites to realize smart factories, and as a result, net sales were ¥37,060 million (up 6.0% year on year).

#### <Machine Tools Division>

For the Machine Tools Division, despite the impact of production adjustments and longer delivery times, mainly in automobile-related industries, due to supply chain disruption, machine tool orders for semiconductors and industrial machinery remained firm due to the subsidy policy. Overseas, despite the impact of the soaring cost of raw materials and transportation and the depreciation of the yen, the number of new projects in Southeast Asia and the U.S. rose due to economic activities going into full swing.

Under these circumstances, we focused on sales of products and systems developed by the Company such as “Robo Combo,” a robot system using articulated robots, and “Bub Power,” a microfine bubble system for coolant equipment, as well as on proposals for switching to unmanned, cost reduction, and stable processing systems by taking advantage of various subsidies, and as a result, net sales were ¥52,874 million (up 23.6% year on year).

#### <Housing, Air & Fluidic Control Systems Division>

In the Housing, Air & Fluidic Control Systems Division, although signs of weakness were observed in the number of new housing starts, particularly in detached housing, new condominium construction and demand for remodeling remained strong. Sales of housing fixtures were firm despite delivery delays for some products such as water heaters and pumps. In particular, interest in ventilation and energy conservation was strong, and sales of equipment related to ventilation and air conditioning grew. In addition, in the renewable energy field, sales of storage batteries and peripheral devices were on a firm trend, due to increasing demand with a view toward carbon neutrality.

Under these circumstances, focusing on products in the non-residential field such as sales of pipes/joints, ventilation and air-conditioning equipment, etc., system proposals toward becoming carbon neutral and strengthening engineering capability resulted in net sales of ¥80,743 million (up 5.1% year on year).

#### <Building Supplies & Exterior Division>

For the Building Supplies & Exterior Division, construction of logistics facilities and condominiums increased, and sales of mainly exterior products and building hardware products remained firm, while sales of storage sheds and delivery boxes increased due to growing demand. In addition, public works investment remained firm for products for coping with natural disasters and preventing traffic accidents on school routes and intersections.

Under these circumstances, introduction of aluminum privacy fences that replace concrete fences, which are at risk of tipping over, and efforts to propose and expand sales of resilience products, which are a combination of bollards with flood sensors, water stop plates, and other equipment, as a measure against damage from flash torrential rains, resulted in net sales of ¥24,232 million (up 12.5% year on year).

#### <Construction Machines Division>

For the Construction Machines Division, public works projects such as infrastructure development, disaster recovery, and disaster prevention/mitigation work, as well as private sector capital investment, remained firm. Demand for construction machines from rental companies and civil engineering-related commercial products was firm. Nevertheless, longer delivery times for construction machines due to shortages of components, particularly on-vehicle semiconductors, soaring prices of materials and energy, and shortages of construction skilled workers had an impact.

Under these circumstances, we focused on expanding our product lineup with an emphasis on safety measures at construction sites and sales of resilience products such as the “TSUNAGU BCP Package,” an automated drainage system that uses remote activation of generators and pumps, as a measure against damage from flash torrential floods. In addition, we focused on expanding our used construction machines auction business, and enhancing container house manufacturing, and construction machines maintenance and rental functions, resulting in net sales of ¥17,189 million (up 13.2% year on year).

#### <Energy Division>

For the Energy Division, there was a recovery in demand due to the further normalization of economic activities. At the same time, concerns over energy supply due to the situation in Ukraine and the depreciation in the yen caused crude oil prices to soar, continuing to affect the prices of petroleum products such as gasoline and diesel fuel, however, government measures curbed the sharp increases.

Under these circumstances, the gas station retail business, which operates mainly in the Tokai region, worked to strengthen car care services such as car washing, automobile inspections, and coatings, among others. In addition, efforts to strengthen sales of marine fuel in the Keihin area resulted in net sales of ¥9,533 million (up 10.4% year on year).

#### <Others>

For Others, the consumer goods business faced challenging conditions for sales as the impact of soaring raw material costs and the depreciation of the yen combined with unseasonable weather. In the online sales business, we worked to expand sales by responding to diversifying consumer needs. In the wood products business, an impact from the sharp depreciation of the yen and lockdowns in producer countries was observed, but efforts were made to develop new suppliers and to develop and expand sales of commercial products utilizing domestic lumber. As a result, net sales were ¥12,384 million (up 9.6% year on year).

## **(2) Explanation of financial position**

### **(i) Assets, liabilities and net assets**

As of September 30, 2022, total assets were ¥248,013 million, a decrease of ¥11,400 million from the end of the previous fiscal year. This was mainly due to a ¥15,796 million decrease in notes and accounts receivable - trade, and contract assets, while inventories increased by ¥3,538 million.

Total liabilities were ¥154,778 million, a decrease of ¥12,029 million from the end of the previous fiscal year. This was mainly due to a ¥9,725 million decrease in notes and accounts payable - trade.

Total net assets were ¥93,234 million, an increase of ¥628 million from the end of the previous fiscal year. This was mainly due to an increase in retained earnings of ¥2,013 million, despite a decrease of ¥1,495 million due to purchase of treasury shares, etc.

As a result, the equity-to-asset ratio was 37.4% (35.5% at the end of the previous fiscal year).

### **(ii) Cash flows**

Cash and cash equivalents (hereinafter, “cash”) as of September 30, 2022 decreased by ¥1,717 million from the end of the previous fiscal year to ¥51,819 million.

The respective cash flow positions for the six months ended September 30, 2022, and the factors thereof are as follows.

#### **(Cash flows from operating activities)**

Net cash provided by operating activities was ¥1,648 million (down ¥1,401 million year on year). This was mainly due to recording a decrease in trade receivables of ¥14,573 million and profit before income taxes of ¥5,647 million, despite an ¥11,767 million decrease in trade payables and a ¥3,223 million increase in inventories.

#### **(Cash flows from investing activities)**

Net cash used in investing activities was ¥377 million (up ¥1,122 million year on year). This was primarily due to the recording of purchase of property, plant and equipment of ¥339 million.

#### **(Cash flows from financing activities)**

Net cash used in financing activities was ¥3,359 million (up ¥991 million year on year). This was primarily due to the recording of dividends paid of ¥1,649 million and purchase of treasury shares of ¥1,628 million.

## **(3) Explanation of consolidated earnings forecasts and other forward-looking statements**

Regarding the consolidated earnings forecasts for the fiscal year ending March 31, 2023, the earnings forecasts are unchanged from the announcement in the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2022” dated May 13, 2022.

Furthermore, the earnings forecasts were created based on information which is currently available on the day of the announcement, and the actual performance and results may differ from the forecast values and outlook.



**2. Quarterly Consolidated Financial Statements and Significant Notes Thereto**  
**(1) Consolidated balance sheet**

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	53,744	52,045
Notes and accounts receivable - trade, and contract assets	121,531	105,735
Electronically recorded monetary claims - operating	22,799	24,304
Inventories	16,147	19,685
Other	3,420	4,189
Allowance for doubtful accounts	(59)	(79)
<b>Total current assets</b>	<b>217,584</b>	<b>205,881</b>
Non-current assets		
Property, plant and equipment	12,667	12,548
Intangible assets		
Goodwill	2,133	1,751
Other	1,202	934
<b>Total intangible assets</b>	<b>3,336</b>	<b>2,685</b>
Investments and other assets		
Retirement benefit asset	12,385	12,435
Other	13,783	14,799
Allowance for doubtful accounts	(343)	(337)
<b>Total investments and other assets</b>	<b>25,826</b>	<b>26,897</b>
<b>Total non-current assets</b>	<b>41,829</b>	<b>42,131</b>
<b>Total assets</b>	<b>259,413</b>	<b>248,013</b>

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	96,112	86,386
Electronically recorded obligations - operating	45,815	44,043
Short-term borrowings	3,128	3,135
Income taxes payable	2,870	1,482
Provision for bonuses	2,623	2,419
Provision for bonuses for directors (and other officers)	70	–
Other	8,331	9,116
Total current liabilities	158,953	146,584
Non-current liabilities		
Long-term borrowings	581	549
Provision for share awards	191	192
Provision for share awards for directors (and other officers)	173	159
Retirement benefit liability	998	1,051
Other	5,909	6,240
Total non-current liabilities	7,854	8,193
Total liabilities	166,808	154,778
<b>Net assets</b>		
Shareholders' equity		
Share capital	20,644	20,644
Capital surplus	6,831	6,837
Retained earnings	60,155	62,168
Treasury shares	(1,692)	(3,188)
Total shareholders' equity	85,938	86,462
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,798	1,796
Deferred gains or losses on hedges	48	20
Foreign currency translation adjustment	46	693
Remeasurements of defined benefit plans	4,149	3,714
Total accumulated other comprehensive income	6,042	6,224
Share acquisition rights	238	165
Non-controlling interests	385	382
Total net assets	92,605	93,234
Total liabilities and net assets	259,413	248,013

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**Consolidated statement of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Net sales	211,201	234,018
Cost of sales	189,143	209,747
Gross profit	22,057	24,271
Selling, general and administrative expenses	17,598	19,137
Operating profit	4,458	5,134
Non-operating income		
Interest income	742	805
Dividend income	139	139
Other	258	149
Total non-operating income	1,140	1,094
Non-operating expenses		
Interest expenses	441	490
Other	1,405	53
Total non-operating expenses	1,846	544
Ordinary profit	3,751	5,684
Extraordinary income		
Gain on sale of non-current assets	5	3
Gain on sale of investment securities	988	–
Total extraordinary income	993	3
Extraordinary losses		
Loss on sale of non-current assets	–	23
Loss on retirement of non-current assets	8	6
Loss on valuation of investment securities	3	4
Loss on liquidation of subsidiaries and associates	52	5
Loss on COVID-19	27	–
Total extraordinary losses	92	39
Profit before income taxes	4,653	5,647
Income taxes	1,968	1,982
Profit	2,684	3,664
Profit (loss) attributable to non-controlling interests	(3)	1
Profit attributable to owners of parent	2,688	3,663

**Consolidated statement of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Profit	2,684	3,664
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,009)	(1)
Deferred gains or losses on hedges	(0)	(28)
Foreign currency translation adjustment	182	647
Remeasurements of defined benefit plans, net of tax	(494)	(435)
Total other comprehensive income	(1,322)	183
Comprehensive income	1,362	3,848
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,365	3,845
Comprehensive income attributable to non-controlling interests	(3)	3

**(3) Consolidated statement of cash flows**

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
<b>Cash flows from operating activities</b>		
Profit before income taxes	4,653	5,647
Depreciation	806	697
Amortization of goodwill	395	381
Loss (gain) on sale of non-current assets	(5)	20
Loss on retirement of non-current assets	8	6
Loss (gain) on sale of investment securities	(988)	–
Loss (gain) on valuation of investment securities	3	4
Loss on liquidation of subsidiaries and associates	52	5
Loss on COVID-19	27	–
Decrease (increase) in retirement benefit asset	(742)	(676)
Increase (decrease) in retirement benefit liability	34	46
Increase (decrease) in allowance for doubtful accounts	(60)	12
Increase (decrease) in provision for bonuses	(263)	(205)
Increase (decrease) in provision for bonuses for directors (and other officers)	(66)	(70)
Increase (decrease) in provision for share awards	10	1
Increase (decrease) in provision for share awards for directors (and other officers)	25	(13)
Interest and dividend income	(882)	(945)
Interest expenses	441	490
Decrease (increase) in trade receivables	6,474	14,573
Decrease (increase) in inventories	(1,902)	(3,223)
Increase (decrease) in trade payables	(4,752)	(11,767)
Decrease (increase) in long-term money claims	57	40
Other, net	398	(899)
<b>Subtotal</b>	<b>3,725</b>	<b>4,126</b>
Interest and dividends received	882	946
Interest paid	(443)	(513)
Income taxes paid	(1,114)	(2,909)
<b>Net cash provided by (used in) operating activities</b>	<b>3,050</b>	<b>1,648</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	(3)	(56)
Proceeds from withdrawal of time deposits	347	61
Purchase of property, plant and equipment	(514)	(339)
Proceeds from sale of property, plant and equipment	15	3
Purchase of intangible assets	(148)	(60)
Proceeds from sale of intangible assets	–	83
Purchase of investment securities	(39)	(43)
Proceeds from sale of investment securities	1,095	–
Other, net	(6)	(24)
<b>Net cash provided by (used in) investing activities</b>	<b>744</b>	<b>(377)</b>

(Millions of yen)

	Six months ended September 30, 2021	Six months ended September 30, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(525)	18
Repayments of long-term borrowings	(189)	(45)
Repayments of lease liabilities	(36)	(42)
Purchase of treasury shares	(1)	(1,628)
Dividends paid	(1,559)	(1,649)
Other, net	(56)	(11)
Net cash provided by (used in) financing activities	(2,368)	(3,359)
Effect of exchange rate change on cash and cash equivalents	19	370
Net increase (decrease) in cash and cash equivalents	1,447	(1,717)
Cash and cash equivalents at beginning of period	41,947	53,536
Cash and cash equivalents at end of period	43,394	51,819

**(4) Notes to quarterly consolidated financial statements**

**Notes on going concern assumption**

No item to report.

**Notes on significant changes in the amount of shareholders' equity**

No item to report.

**Additional information**

Accounting estimates related to the impact of the spread of COVID-19

During the six months under review, there are no significant changes in the accounting estimates of the impact of the spread of COVID-19 described in the financial results reports for the previous fiscal year.

## Segment information

### I. Six months ended September 30, 2021 (from April 1, 2021 to September 30, 2021)

#### 1. Information on the amount of net sales and profit/loss for each reportable segment

(Millions of yen)

	Reportable segments							Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Industrial Equipment & Tools	Machine Tools	Housing, Air & Fluidic Control Systems	Building Supplies & Exterior	Construction Machines	Energy	Total				
Net sales											
Sales to external customers	34,950	42,767	76,833	21,533	15,186	8,632	199,904	11,296	211,201	–	211,201
Intersegment sales or transfers	6,448	1,914	4,019	2,069	2,130	13	16,596	287	16,884	(16,884)	–
Total	41,399	44,681	80,853	23,603	17,316	8,646	216,500	11,584	228,085	(16,884)	211,201
Segment profit	757	1,530	2,364	753	396	105	5,906	50	5,957	(1,499)	4,458

Notes: 1. The classification “Others” is a segment of business not included in the reportable segments and includes businesses selling lifestyle-related products and wood products.

2. The adjustment of the segment profit of negative ¥1,499 million represents mainly costs related to the administration division of the Company that has not been attributed to a reportable segment.

3. Segment profit is adjusted to operating profit as recorded on the quarterly consolidated statement of income.

#### 2. Information on impairment losses on non-current assets, goodwill, etc. for each reportable segment

No item to report.

### II. Six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022)

#### 1. Information on the amount of net sales and profit/loss for each reportable segment

(Millions of yen)

	Reportable segments							Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in the quarterly consolidated statement of income (Note 3)
	Industrial Equipment & Tools	Machine Tools	Housing, Air & Fluidic Control Systems	Building Supplies & Exterior	Construction Machines	Energy	Total				
Net sales											
Sales to external customers	37,060	52,874	80,743	24,232	17,189	9,533	221,634	12,384	234,018	–	234,018
Intersegment sales or transfers	6,181	2,233	4,274	2,192	2,095	20	16,997	182	17,180	(17,180)	–
Total	43,241	55,107	85,018	26,425	19,285	9,554	238,632	12,566	251,199	(17,180)	234,018
Segment profit	941	2,229	2,360	914	486	106	7,038	23	7,061	(1,927)	5,134

Notes: 1. The classification “Others” is a segment of business not included in the reportable segments and includes businesses selling lifestyle-related products and wood products.

2. The adjustment of the segment profit of negative ¥1,927 million represents mainly costs related to the administration division of the Company that has not been attributed to a reportable segment.

3. Segment profit is adjusted to operating profit as recorded on the quarterly consolidated statement of income.

#### 2. Information on impairment losses on non-current assets, goodwill, etc. for each reportable segment

No item to report.