

Consolidated Financial Results [Japanese GAAP]

for the Fiscal Year Ended March 31, 2020

(April 1, 2019 – March 31, 2020)



May 12, 2020

Company name: Kansai Paint Co., Ltd.
 Stock listing: Tokyo Stock Exchange
 Code number: 4613
 URL: <https://www.kansai.co.jp/>
 Representative: MORI Kunishi, Representative Director of the Board, President
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 Scheduled date of the annual shareholders' meeting: June 26, 2020
 Scheduled date of the filing of Securities Report: June 29, 2020
 Scheduled date of dividend payment: June 29, 2020
 Supplemental information: Yes
 Financial results briefing: Yes

(Amounts are rounded down to the nearest million yen)

1. Consolidated financial results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 – March 31, 2020)

(1) Consolidated operating results

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year ended March 31, 2020	406,886	(4.8)	31,510	(2.5)	34,874	0.1	18,477	6.2
Fiscal Year ended March 31, 2019	427,425	6.3	32,306	(9.8)	34,838	4.8	17,405	(1.7)

(Note) Comprehensive income:

Fiscal Year ended March 31, 2020: 10,199 million yen — %
 Fiscal Year ended March 31, 2019: (4,434) million yen — %

	Net income per share	Diluted net income per share	Return on equity	Ordinary income – total assets ratio	Operating income – sales ratio
	Yen	Yen	%	%	%
Fiscal Year ended March 31, 2020	71.87	65.71	6.9	6.2	7.7
Fiscal Year ended March 31, 2019	67.68	58.28	6.4	5.9	7.6

(Reference) Equity in earnings (losses) of unconsolidated subsidiaries and affiliates:

Fiscal Year ended March 31, 2020: 3,990 million yen
 Fiscal Year ended March 31, 2019: 2,786 million yen

(2) Consolidated financial positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	544,123	320,697	49.4	1,045.99
As of March 31, 2019	584,135	320,661	46.2	1,050.06

(Reference) Shareholders' equity:

As of March 31, 2020: 268,877 million yen
 As of March 31, 2019: 270,016 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal Year ended March 31, 2020	40,324	(22,045)	(37,403)	50,594
Fiscal Year ended March 31, 2019	35,632	(17,461)	(6,964)	70,207

2. Dividends

	Dividends per share					Total amounts of dividends	Payout ratio (Consolidated)	Net asset payout ratio (Consolidated)
	1st Quarter	2nd Quarter	3rd Quarter	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal Year ended March 31, 2019	—	16.00	—	14.00	30.00	7,746	44.3	2.8
Fiscal Year ended March 31, 2020	—	15.00	—	15.00	30.00	7,746	41.7	2.9
Fiscal Year ending March 31, 2021 (Forecast)	—	—	—	—	—	—	—	—

(Notes) *1 Detail of 2nd quarter dividend of Fiscal Year ended March 31, 2019: Ordinary 14.00 yen, Commemorative 2.00 yen

*2 Dividend forecast for the fiscal year ending March 31, 2021 has not yet been determined at this time.

3. Consolidated financial forecast for the Fiscal Year Ending March 31, 2021 (April 1, 2020 — March 31, 2021)

There are concerns about a broad range of negative effects on economic activity of the COVID 19 pandemic. Consequently, the forecast for the fiscal year ending March 31, 2021 has not been established due to the difficulty of determining an accurate forecast at this time.

An announcement will be made promptly once it becomes possible to determine a reliable forecast.

*Notes

(1) Changes in significant subsidiaries during the period

(changes in specified subsidiaries due to changes in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and retrospective restatement

1. Changes in accounting policies in accordance with revision of accounting standards: Yes
2. Changes in accounting policies other than 1. above: None
3. Changes in accounting estimates: None
4. Retrospective restatement: None

(3) Number of shares of common stock issued

1. Number of shares of common stock issued at period-end (including treasury stock):

As of March 31, 2020:	272,623,270	shares
As of March 31, 2019:	272,623,270	shares

2. Number of shares of treasury stock at period-end:

As of March 31, 2020:	15,567,211	shares
As of March 31, 2019:	15,480,336	shares

3. Average number of shares during the period:

Fiscal Year ended March 31, 2020:	257,104,459	shares
Fiscal Year ended March 31, 2019:	257,186,103	shares

(Reference) Overview of Non-Consolidated Financial Results for the Year Ended March 31, 2020 (from April 1, 2019 to March 31, 2020)

(1) Non-Consolidated operating results

(The percentages represent the rates of increase (decrease) compared to the corresponding prior period.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal Year ended March 31, 2020	148,678	(4.4)	13,702	(7.7)	18,623	(19.3)	(6,694)	—
Fiscal Year ended March 31, 2019	155,578	2.4	14,841	(9.6)	23,070	7.7	15,688	17.8

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal Year ended March 31, 2020	(25.93)	—
Fiscal Year ended March 31, 2019	60.77	52.20

(2) Non-Consolidated financial positions

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2020	334,706	189,140	56.5	732.83
As of March 31, 2019	392,544	206,840	52.7	801.23

(Reference) Shareholders' equity: As of March 31, 2020: 189,140 million yen
As of March 31, 2019: 206,840 million yen

*Status of the implementation of audit procedures

These financial statements are not subject to the audit procedure of certified public accountant or audit firm.

*Explanation for appropriate use of forecasts and other notes

The forward-looking statements such as operational forecasts contained in this document are based on information currently available to the Company and certain assumptions which are regarded as legitimate. However, it does not mean that we guarantee its achievement. Actual results may differ from such forward-looking statements for a variety of reasons.

Overview of financial results

During the fiscal year under review, the global economy continued to face heightened geopolitical risks and uncertainties concerning political, policy and trade developments in different countries. Under such circumstances, while Europe, China, and other emerging countries in Asia faced weaker economies, the global economy as a whole continued to enjoy moderate recovery, albeit decelerating, with robust personal consumption and government expenditures in the United States. The Japanese economy remained sluggish mainly due to weaker exports reflecting the deceleration of the world economy, despite a recovery trend supported by improvements in the employment and income environments and a pickup in personal consumption from the beginning of the fiscal year under review. Furthermore, the Japanese and overseas economies have deteriorated sharply toward a severe situation due to the spread of the COVID-19 pandemic, which occurred toward the end of the fiscal year under review.

The Group's net sales for the fiscal year under review were 406,886 million yen (down 4.8% year on year), and operating income was 31,510 million yen (down 2.5% year on year), impacted by the decreased net sales despite a decline in raw material prices and a decrease in selling, general and administrative expenses. Ordinary income ended at 34,874 million yen (up 0.1% year on year) due to an increase in equity in earnings of affiliates despite a rise in foreign currency exchange loss. While gain on the sale of investment securities decreased and all the goodwill of South Africa was amortized at once, there was a gain from share transfer in an affiliate in Middle East and no additional provision for loss on guarantees in the previous year was made. As a result, Net income attributable to owners of parent ended at 18,477 million yen (up 6.2% year on year)

Segment overviews are as follows.

<Japan>

In the new car area of the automotive coatings sector, sales fell short of the previous year, reflecting a year on year decrease in car production and exports. Sales in the industrial coatings sector decreased year on year as paints for automotive components and paints for industrial machinery that had recorded robust sales became sluggish in the second half.

The decorative coatings and protective coatings sectors saw slight year on year increases in sales amid robust growth of the market. Sales in the marine sector decreased slightly year on year despite a recovery mainly in sales of paints for ship repair. In the automotive coatings sector (for refinishing), sales decreased year on year in a weak market despite our intensive efforts to expand sales of high-value-added products.

As a result of those factors, net sales and ordinary income in the segment were 155,078 million yen (down 2.7% year on year) and 18,153 million yen (down 7.2% year on year).

<India>

In the automotive coatings sector, sales fell year on year as car production significantly decreased year on year. In the decorative coatings sector, sales increased year on year on the back of our sales promotion driven by continued demand growth. However, net sales in the segment dropped year on year due to the impact of a significant decrease in sales in the automotive coatings sector. Profits decreased due to the decreased net sales despite a stable raw material price. Furthermore, the translated result in Japanese yen was negatively affected by currency conversion.

As a result of those factors, net sales and ordinary income in the segment were 81,697 million yen (down 6.0% year on year) and 10,268 million yen (down 7.1% year on year).

<Asia>

In China, reflecting a year on year decrease in car production, sales in the automotive coatings sector decreased year on year despite expanded demand from major customers. In the industrial coatings sector, sales decreased year on year in paints for construction machinery due to weaker demand from major customers. As a result, net sales decreased year on year in China as a whole. In Indonesia, amid the strong sense of decelerated economy, sales in the automotive coatings sector decreased year on year, reflecting a decline in car production compared with the last year. Also in Thailand, sales decreased year on year following a decline in car production.

As a result of those factors, net sales of the segment were 60,176 million yen (down 5.7% year on year). Ordinary income ended at 5,456 million yen (up 1.1% year on year) reflecting a decline in raw material prices, and a decrease in losses from equity of unconsolidated affiliates in Middle East, despite a decrease in equity in earnings of affiliates in China.

<Africa>

Amid the sluggish economy in South Africa and neighboring countries, we continued to endeavor to promote sales. Despite a decline in raw material prices and improvement in profitability compared with the same period last year, we continued to face significant pressure from currency depreciation and the intensified price competition.

As a result of those factors, net sales of the segment were 35,742 million yen (down 9.4% year on year) while ordinary loss including the amortization of goodwill ended at 2,967 million yen.

<Europe>

In Turkey, while sales in the local currency increased, profitability was negatively affected by the rise of raw material prices due to the weaker local currency. Meanwhile, equity in earnings of affiliates increased despite sluggish demand in the decorative coatings sector on the back of a weaker domestic economy. In other European countries, sales in local currencies increased mainly in the industrial coatings sector which enjoyed strong growth. However, the translated result in Japanese yen was negatively affected by currency conversion.

As a result of those factors, net sales of the segment were 68,168 million yen (down 5.2% year on year) while ordinary income including the amortization of goodwill ended at 2,719 million yen (up 15.2% year on year).

<Others>

Sales grew in North America, owing to efforts to expand sales of paints for automotive components in the industrial coatings sector. Equity in earnings of affiliates also increased.

As a result of those factors, net sales of the segment were 6,021 million yen (up 1.1% year on year) while ordinary income ended at 1,243 million yen (up 139.9% year on year).

Consolidated financial statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2019	As of March 31, 2020
Assets		
Current assets		
Cash and deposits	74,614	58,618
Trade notes and accounts receivables	112,486	101,512
Securities	3,148	4,705
Finished goods	37,549	35,095
Work-in-process	5,569	5,696
Raw materials and supplies	26,121	23,530
Other	9,758	14,932
Allowance for doubtful receivables	(3,076)	(3,152)
Total current assets	266,172	240,938
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	55,100	58,222
Machinery, equipment and vehicles, net	28,898	31,067
Tools, furniture and fixtures, net	6,787	8,355
Land	24,226	25,041
Construction in progress	12,432	6,732
Total property, plant and equipment	127,444	129,419
Intangible assets		
Leasehold right	3,215	3,306
Software	2,547	2,320
Software in progress	461	227
Goodwill	39,782	33,551
Other	21,320	19,000
Total intangible assets	67,327	58,406
Investments and other assets		
Investment securities	84,032	76,183
Investments in capital	16,458	17,414
Loans receivable	111	2,292
Net defined benefit asset	10,436	9,012
Deferred tax assets	6,764	7,470
Other	12,992	7,626
Allowance for doubtful receivables	(7,604)	(4,641)
Total investments and other assets	123,190	115,358
Total non-current assets	317,963	303,185
Total assets	584,135	544,123

	As of March 31, 2019	As of March 31, 2020
Liabilities		
Current liabilities		
Trade notes and accounts payables	71,140	58,694
Short-term borrowings	12,135	18,467
Short-term borrowings from unconsolidated subsidiaries and affiliates	130	140
Current portion of long-term debt	162	2,070
Current portion of convertible bonds with stock acquisition rights	40,126	-
Accrued expenses	9,908	9,631
Income and enterprise taxes payable	4,219	2,242
Provision for bonuses	4,864	5,431
Provision for loss on guarantees	2,219	-
Other	12,903	15,435
Total current liabilities	157,810	112,113
Non-current liabilities		
Convertible bonds with stock acquisition rights	60,160	60,110
Long-term debt	8,434	12,354
Deferred tax liabilities	25,182	25,040
Net defined benefit liability	8,607	9,497
Retirement benefits for directors and corporate auditors	109	116
Provision for management board incentive plan trust	95	102
Other	3,074	4,091
Total non-current liabilities	105,664	111,313
Total liabilities	263,474	223,426
Net assets		
Shareholders' equity		
Common stock	25,658	25,658
Capital surplus	22,342	22,438
Retained earnings	237,721	248,511
Treasury stock, at cost	(25,537)	(25,711)
Total shareholders' equity	260,185	270,897
Accumulated other comprehensive income		
Net unrealized holding gains on securities	29,876	23,322
Deferred gains on derivatives under hedge accounting	622	1,224
Foreign currency translation adjustments	(21,439)	(25,936)
Remeasurements of defined benefit plans	770	(631)
Total accumulated other comprehensive income	9,831	(2,020)
Non-controlling interests	50,644	51,819
Total net assets	320,661	320,697
Total liabilities and net assets	584,135	544,123

(2) Consolidated Statements of Income

(Millions of yen)

	Fiscal Year ended March 31, 2019	Fiscal Year ended March 31, 2020
Net sales	427,425	406,886
Cost of sales	294,161	277,359
Gross profit	133,264	129,527
Selling, general and administrative expenses	100,958	98,016
Operating income	32,306	31,510
Non-operating income		
Interest income	1,342	653
Dividend income	1,680	1,687
Equity in earnings of unconsolidated subsidiaries and affiliates	2,786	3,990
Miscellaneous income	1,096	1,831
Total non-operating income	6,905	8,162
Non-operating expenses		
Interest expense	1,872	1,749
Loss on disposal of inventories	374	329
Foreign currency exchange loss	635	1,466
Miscellaneous expenses	1,491	1,253
Total non-operating expenses	4,373	4,798
Ordinary income	34,838	34,874
Extraordinary income		
Gain on sale of property, plant and equipment	150	49
Gain on sale of investment securities	2,015	152
Gain on sale of shares of subsidiaries and affiliates	855	1,708
Gain on liquidation of subsidiaries	31	8
Total extraordinary income	3,053	1,919
Extraordinary losses		
Loss on sale or disposal of property, plant and equipment	431	1,019
Loss on sale of investments in capital of subsidiaries and associates	-	39
Impairment loss	673	-
Write-down of securities and investment securities	50	16
Loss on liquidation of subsidiaries	294	-
Loss on disaster	144	60
Early extra retirement payments	410	-
Provision for loss on guarantees	2,219	-
Loss on withdrawal from business	-	37
Amortization of goodwill	-	1,129
Total extraordinary losses	4,225	2,303
Income before income taxes and non-controlling interests	33,666	34,490
Income taxes - current	13,172	9,360
Income taxes - deferred	(760)	1,949
Total income taxes	12,411	11,310
Net income	21,254	23,179
Net income attributable to non-controlling interests	3,849	4,702
Net income attributable to owners of the parent	17,405	18,477

(3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal Year ended March 31, 2019	Fiscal Year ended March 31, 2020
Net income	21,254	23,179
Other comprehensive income		
Net unrealized holding losses on securities	(6,163)	(5,482)
Deferred gains (losses) on derivatives under hedge accounting	(800)	601
Foreign currency translation adjustments	(12,209)	(4,497)
Remeasurements of defined benefit plans	(622)	(1,401)
Shares in other comprehensive income of equity method affiliates	(5,892)	(2,200)
Total other comprehensive income	(25,689)	(12,980)
Comprehensive income	(4,434)	10,199
Comprehensive income attributable to:		
Owners of the parent	(5,210)	6,625
Non-controlling interests	776	3,573

(4) Consolidated Statements of Changes in Net Assets

Fiscal year ended March 31, 2019 (April 1, 2018 - March 31, 2019)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	25,658	13,232	230,255	(25,264)	243,882
Changes during the period					
Cash dividends paid			(7,617)		(7,617)
Net income attributable to owners of the parent			17,405		17,405
Purchase of treasury stock				(274)	(274)
Disposal of treasury stock		0		0	0
Change in transactions with non-controlling shareholders		9,110	(2,322)		6,788
Net changes in items other than shareholders' equity					
Total changes during the period	-	9,110	7,465	(273)	16,302
Balance at the end of the year	25,658	22,342	237,721	(25,537)	260,185

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	36,363	1,423	(6,732)	1,393	32,447	46,096	322,425
Changes during the period							
Cash dividends paid							(7,617)
Net income attributable to owners of the parent							17,405
Purchase of treasury stock							(274)
Disposal of treasury stock							0
Change in transactions with non-controlling shareholders							6,788
Net changes in items other than shareholders' equity	(6,486)	(800)	(14,706)	(622)	(22,616)	4,548	(18,067)
Total changes during the period	(6,486)	(800)	(14,706)	(622)	(22,616)	4,548	(1,764)
Balance at the end of the year	29,876	622	(21,439)	770	9,831	50,644	320,661

Fiscal year ended March 31, 2020 (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of the year	25,658	22,342	237,721	(25,537)	260,185
Cumulative effects of changes in accounting policies			(198)		(198)
Restated balance	25,658	22,342	237,523	(25,537)	259,986
Changes during the period					
Cash dividends paid			(7,488)		(7,488)
Net income attributable to owners of the parent			18,477		18,477
Purchase of treasury stock				(221)	(221)
Disposal of treasury stock		0		47	47
Purchase of shares of consolidated subsidiaries		95	(0)		95
Net changes in items other than shareholders' equity					
Total changes during the period	-	95	10,988	(173)	10,910
Balance at the end of the year	25,658	22,438	248,511	(25,711)	270,897

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Net unrealized holding gains on securities	Deferred gains on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at the beginning of the year	29,876	622	(21,439)	770	9,831	50,644	320,661
Cumulative effects of changes in accounting policies						(39)	(238)
Restated balance	29,876	622	(21,439)	770	9,831	50,604	320,423
Changes during the period							
Cash dividends paid							(7,488)
Net income attributable to owners of the parent							18,477
Purchase of treasury stock							(221)
Disposal of treasury stock							47
Purchase of shares of consolidated subsidiaries							95
Net changes in items other than shareholders' equity	(6,554)	601	(4,497)	(1,401)	(11,851)	1,214	(10,636)
Total changes during the period	(6,554)	601	(4,497)	(1,401)	(11,851)	1,214	274
Balance at the end of the year	23,322	1,224	(25,936)	(631)	(2,020)	51,819	320,697

(5) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal Year ended March 31, 2019	Fiscal Year ended March 31, 2020
Cash flows from operating activities		
Income before income taxes and non-controlling interests	33,666	34,490
Depreciation and amortization	13,917	14,482
Impairment loss	673	-
Amortization of goodwill	4,780	5,796
Increase (decrease) in allowance for doubtful receivables	2,249	(2,784)
Increase (decrease) in net defined benefit liability	(492)	273
Interest and dividend income	(3,022)	(2,340)
Interest expense	1,872	1,749
Equity in earnings of unconsolidated subsidiaries and affiliates	(2,786)	(3,990)
Gain on sale of investment securities	(2,015)	(152)
Write-down of investment securities	50	16
Gain on sale of shares of subsidiaries and associates	(855)	(1,708)
Loss on sale of investments in capital of subsidiaries and associates	-	39
Loss on sale or disposal of property, plant and equipment, net	281	970
Decrease (increase) in trade notes and accounts receivables	(2,408)	10,840
Decrease (increase) in inventories	(6,783)	2,887
Decrease in trade notes and accounts payables	(90)	(11,445)
Other, net	6,519	1,987
Subtotal	45,556	51,111
Interest and dividends received	5,275	3,474
Interest paid	(2,078)	(1,699)
Income taxes paid	(13,121)	(12,561)
Net cash provided by operating activities	35,632	40,324
Cash flows from investing activities		
Payments into time deposits	(1,344)	(5,417)
Proceeds from withdrawal of time deposits	805	2,078
Net decrease (increase) in securities	5,629	(1,624)
Purchase of property, plant and equipment	(21,210)	(12,803)
Proceeds from sale of property, plant and equipment	1,294	231
Purchase of intangible assets	(1,250)	(944)
Purchase of investment securities	(212)	(41)
Proceeds from sale of investment securities	3,083	37
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(1,122)	(1,247)
Payments for investments in capital	(0)	-
Payments of loans receivable	(677)	(2,450)
Collection of loans receivable	429	399
Proceeds from (payments for) derivative settlement, net	(975)	351
Other, net	(1,911)	(614)
Net cash used in investing activities	(17,461)	(22,045)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(14,570)	6,579
Proceeds from long-term debt	5,431	6,779
Repayments of long-term debt	(795)	(821)
Redemption of convertible bonds with stock acquisition rights	-	(40,000)
Purchase of treasury stock	(9)	(157)
Cash dividends paid	(7,617)	(7,488)
Cash dividends paid to non-controlling interests	(1,630)	(1,890)
Proceeds from share issuance to non-controlling shareholders	12,235	123
Other, net	(8)	(527)
Net cash used in financing activities	(6,964)	(37,403)
Effect of exchange rate changes on cash and cash equivalents	(2,171)	(488)
Increase (decrease) in cash and cash equivalents	9,035	(19,612)
Cash and cash equivalents at beginning of period	61,171	70,207
Cash and cash equivalents at end of period	70,207	50,594

Segment information

(1) General information for reportable segments

The reportable segments of the Kansai Paint Group are defined as components of the Group for which separate financial information is available and reviewed regularly by the Board of Directors in determining how to allocate management resources and evaluate operating performance. The Company and its consolidated subsidiaries and affiliates are primarily engaged in the manufacturing and sale of paints and coatings. The Company is mainly in charge of business activities in Japan while locally incorporated overseas subsidiaries are in charge in each region. Locally incorporated overseas subsidiaries are independent business units that develop their own business activities and establish their own comprehensive strategies in each region. Accordingly, the Kansai Paint Group, being composed of regional segments based on manufacturing and selling systems, has the following five reportable segments: Japan, India, Asia, Africa and Europe.

(2) Information about sales, profit and loss, assets and other material items by reportable segment

Fiscal year ended March 31, 2019 (April 1, 2018 - March 31, 2019)

(Millions of yen)

	Reportable segments						Other *1	Total	Adjustment *2	Consolidated *3
	Japan	India	Asia	Africa	Europe	Total				
Net sales										
(1) Sales to customers	159,339	86,922	63,828	39,446	71,934	421,471	5,954	427,425	-	427,425
(2) Intersegment sales and transfers	15,543	56	3,625	304	93	19,624	0	19,624	(19,624)	-
Total sales	174,882	86,979	67,454	39,751	72,027	441,095	5,954	447,050	(19,624)	427,425
Segment income (loss)	19,552	11,051	5,398	(4,043)	2,360	34,319	518	34,838	-	34,838
Segment assets	272,574	70,842	94,993	44,803	103,901	587,115	14,587	601,702	(17,567)	584,135
Other items										
Depreciation and amortization	3,474	1,530	3,016	2,673	2,744	13,439	477	13,917	-	13,917
Amortization of goodwill	-	67	410	2,023	1,998	4,499	280	4,780	-	4,780
Interest income	1,114	278	257	42	22	1,715	0	1,716	(373)	1,342
Interest expense	83	121	43	1,258	887	2,394	1	2,395	(523)	1,872
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	994	(73)	1,304	173	129	2,528	257	2,786	-	2,786
Investments in unconsolidated subsidiaries and affiliates	13,919	225	18,286	1,644	8,816	42,891	2,544	45,436	-	45,436
Increase in property, plant and equipment and intangible assets	4,839	8,122	4,868	1,317	3,350	22,498	520	23,018	-	23,018

Notes:

- *1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.
- *2 Adjustments for segment income (loss), segment assets and other items represent the elimination of intersegment transactions.
- *3 Segment income (loss) is reconciled with the ordinary income in the Consolidated Statements of Income.
- *4 Reportable segments other than Japan include the following countries:
 India: India, Nepal, Bangladesh and other locations.
 Asia: Thailand, China, Indonesia and other locations.
 Africa: South Africa, Zimbabwe, Uganda and other locations.
 Europe: Slovenia, Turkey, Austria, Luxembourg and other locations.

Fiscal year ended March 31, 2020 (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Reportable segments						Other *1	Total	Adjustment *2	Consolidated *3
	Japan	India	Asia	Africa	Europe	Total				
Net sales										
(1) Sales to customers	155,078	81,697	60,176	35,742	68,168	400,865	6,021	406,886	-	406,886
(2) Intersegment sales and transfers	13,031	62	2,932	297	135	16,459	0	16,459	(16,459)	-
Total sales	168,110	81,759	63,109	36,039	68,304	417,324	6,021	423,346	(16,459)	406,886
Segment income (loss)	18,153	10,268	5,456	(2,967)	2,719	33,630	1,243	34,874	-	34,874
Segment assets	231,508	69,668	98,168	42,914	100,933	543,193	14,804	557,998	(13,874)	544,123
Other items										
Depreciation and amortization	3,860	2,036	2,979	2,235	2,866	13,979	503	14,482	-	14,482
Amortization of goodwill *5	-	90	414	3,114	1,900	5,519	276	5,796	-	5,796
Interest income	377	39	313	22	18	771	0	771	(118)	653
Interest expense	34	276	81	1,040	443	1,876	0	1,877	(128)	1,749
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	1,103	(67)	1,493	133	349	3,012	978	3,990	-	3,990
Investments in unconsolidated subsidiaries and affiliates	13,852	150	19,234	1,733	7,840	42,811	3,418	46,229	-	46,229
Increase in property, plant and equipment and intangible assets	4,952	3,927	1,857	971	2,162	13,872	77	13,949	-	13,949

Notes:

- *1 The "Other" category includes business activities of subsidiaries and affiliates in the U.S., Mexico and other locations.
- *2 Adjustments for segment income (loss), segment assets and other items represent the elimination of intersegment transactions.
- *3 Segment income (loss) is reconciled with the ordinary income in the Consolidated Statements of Income.
- *4 Reportable segments other than Japan include the following countries:
 India: India, Bangladesh, Nepal and other locations.
 Asia: Indonesia, Thailand, China and other locations.
 Africa: South Africa, Uganda, Zimbabwe and other locations.
 Europe: Slovenia, Turkey, Austria and other locations.
- *5 Amortization of goodwill includes "amortization of goodwill" of extraordinary loss.