



Summary of Financial Statements of the First Quarter Ended June 30, 2022 [Japan GAAP, Consolidated]

August 8, 2022

Name of the Company: DESCENTE LTD. Listed Exchange: TSE
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Representative: Shuichi Koseki, President and Representative Director
Person responsible for inquiry: Akira Tsuchihashi, Managing Executive Officer, CFO (TEL) +81-3-5979-6110
Scheduled Date of Submission of Quarterly Report Aug 8, 2022 Date of Dividend Payments: -

Preparation of Supplementary Financial Statements: Yes

Holding of Financial Results Briefing: Yes (For institutional investors and securities analysts)

(Notes: Amounts less than one million yen are rounded down)

Consolidated Results for the First Quarter of the Fiscal Year Ending March 1, 2023 (April 1, 2022 to June 30, 2022)

(1) Consolidated Operating Results (Cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Quarterly Profit attributable to owners of parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
First Quarter of Fiscal Year Ending March 2023	26,425	17.5	2,531	145.3	3,342	114.0	2,353	107.6
First Quarter of Fiscal Year Ending March 2022	22,481	44.5	1,032	-	1,561	-	1,133	-

(NOTE) Comprehensive income 1Q of FY 2022 4,910 million yen (65.0%) 1Q of FY 2021 2,976 million yen (-%)

	Quarterly net income per share	Quarterly diluted net income per share
	Yen	Yen
First Quarter of Fiscal Year Ending March 2023	31.18	-
First Quarter of Fiscal Year Ending March 2022	15.03	-

(2) Consolidated financial position

	Total assets	Net assets	Equity Ratio
	Yen in millions	Yen in millions	%
First Quarter of Fiscal Year Ending March 2023	115,612	89,682	77.6
FY ended March 31, 2022	116,375	86,658	74.5

(Reference) Equity 1Q of FY 2022 89,682 million yen FY 2021 86,658 million yen

2.Dividends

	Annual cash dividend per share				
	End of the 1st quarter	End of the 2nd quarter	End of the 3rd quarter	End of the 4th Quarter	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2022	-	0.00	-	25.00	25.00
Year ended March 31, 2023	-				
FY ended Year ended March 31, 2023 (Forecast)		0.00	-	28.00	28.00

(NOTE) Revisions to the most recently announced dividend forecasts: None

Consolidated earnings forecast for the Fiscal Year Ending March. 31 2023 (April 1, 2022 to March 31, 2023)

(%, YoY)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Per share Net income
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen
First half of fiscal year	55,500	11.2	3,500	28.9	5,200	29.8	4,300	72.8	56.97
Full year	116,500	7.0	6,700	30.4	10,700	41.6	9,500	52.5	125.86

(NOTE) Revisions to the consolidated forecasts most recently announced : Yes

※ Notes

(1) Changes in Significant Subsidiaries during the period : Yes

(Changes in specified subsidiaries accompanied by changes in the scope of Consolidated)

New 1 Company (Company name) ARENA(SHANGHAI)IN DUSTRIAL CO., LTD. , Exclude -

(2) Application of particular accounts procedures to the preparation of quarterly consolidated financial statements. : Yes

(NOTE) For details, please refer to "(3) Notes on Quarterly Consolidated Financial Statements" on page 9 of the attached materials.

(3) Changes in accounting policies, accounting estimates, or restatement

① Changes in accounting policies associated with revision of accounting standards : None

② Changes in accounting policy other than ① : None

③ Changing in accounting estimates : None

④ Restatement of revisions : None

(4) Number of shares issued and outstanding common stock

① Number of shares issued and outstanding at the end of the period (including treasury stock)	1 Q of FY 2022	76,924,176	FY 2021	76,924,176
② Number of treasury stock at the end of the period	1 Q of FY 2022	1,444,680	FY 2021	1,444,610
③ Average number of shares during the term (quarterly consolidated cumulative period)	1 Q of FY 2022	75,479,543	FY 2021	75,456,270

※ Quarterly Summary of Financial Statements is not subject to quarterly reviews by certified public accountants or auditing firms.

※ Explanation of appropriate use of business performance forecasts and other special items

(Notes on future descriptions)

The earnings forecasts and other forward-looking statements herein are based on information currently available to us and certain assumptions that we believe to be reasonable, and are not intended to guarantee the result of the forecasts. Actual results may differ materially from the forecast depending on a range of factors. Please refer to "(3) Explanation of Future Forecast Information such as Consolidated Performance Forecasts" on page 4 of the quarterly Summary of Financial Statements Appendix for the assumptions on which the forecasts are based and notes on the use of the earnings forecasts.

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1. Qualitative Information on the Quarterly Consolidated Performance

(1) Explanation of Operating Results

Continuing from the previous fiscal year, in our midterm management plan "D-Summit 2023," We have identified our key strategies: "I. Implement strategies by regions for Japan, Korea, and China", "II. Improve profitability of Japan business", "III. Enhance our manufacturing capabilities", with the aim of generating stable earnings in three markets.

Net Sales increased by 17.5% over the same quarter of the previous fiscal year to JPY 26,425 million due to the further improvement of profitability in Japan business, restraining sales losses such as returns and discounts, and strong sales of "le coq sportif" brand and other products, particularly in the golf category. In South Korea, both sales and earnings were strong, driven by sales in the athletic category. In China as well, although stores were closed due to the expansion of COVID-19 infectious diseases (COVID-19) from March, sales of "arena" e-commerce were strong, and the impact of COVID-19 in the first quarter of the fiscal year under review was minimal.

SG&A expenses increased by 6.8% over the same quarter of the previous fiscal year to JPY 13,056 million due to an increase in personnel expenses for the provision of bonused and variable expenses such as sales commissions in Japan, and an increase of sales commissions and advertising expenses in South Korea. The SG&A ratio, however, decreased by 5% over the same quarter of the previous fiscal year.

Operating income significantly increased by 145.3% over the same quarter of the previous fiscal year to JPY 2,531 million, as revenues and gross profit increase exceeded the increase of SG&A expenses.

Ordinary income increased by 114.0% over the same quarter of the previous fiscal year to JPY 3,342 million, due to the increase of operating profit mentioned above and the increase of non-operating income by growth of Equity in earnings from DESCENTE CHINA HOLDING LIMITED ("DCH"), an equity-method affiliate in China, and from ARENA KOREA LTD, an equity-method affiliate in South Korea.

Extraordinary income was recorded JPY 127 million in the first quarter of the fiscal year under review, due to income of step acquisitions by the execution of a series of transactions associated with the reorganization of ARENA(SHANGHAI)INDUSTRIAL CO, and LTD, as announced in the " Notice of Changes in Equity-Method Affiliates and Transfer of Selected Subsidiaries" on January 7, 2022.

In addition, despite an increase in income taxes due to an increase in Ordinary income, Quarterly profit attributable to owners of parent increased significantly by 107.6% from the same quarter of the previous fiscal year to JPY 2,353 million.

As described above, for the first quarter under review, Net Sales increased by 17.5% Year-on-year quarter to JPY 26,425 million,

Operating income was 2.5 times as Year-on-year quarter to JPY 2,531 million, Ordinary income was 2.1 times as Year-on-year quarter to JPY 3,342 million, and Quarterly profit attributable to owners of parent was 2.1 times as Year-on-year quarter to JPY 2,353 million. The profit increased compared to Year-on-year quarter in all major segments, Japan, Korea and China.

From the first quarter of the fiscal year under review, the Company partially changed the segment presentation. Our geographical segments consist of the locations of operating companies.

As we have become a pure holding company since the fiscal year ending March 2023, the Company is excluded from the "Japan" segment. The operating companies that comprise the "Japan" segment are DESCENTE JAPAN LTD and DESCENTE APPARELL LTD., and the Company's performance is included in "Adjustments." The results by reportable segments are as follows. The fiscal year-end of overseas subsidiaries is December. The results of each segment do not include figures for equity-method affiliates.

(Net Sales by Segments)

Segment	Net sales (Yen in millions) (Year-on-year quarter)	Segment Income or Loss (Yen in millions) *
Japan	12,096 (129.2%)	1,376 (Year-on-year quarter 93)
South Korea	12,710 (108.3%)	1,225 (Year-on-year quarter 762)
China	1,065 (109.2%)	124 (Year-on-year quarter 107)
Others	- -	- (Year-on-year quarter (0))
Adjustments	553 (137.1%)	(194) (Year-on-year quarter 67)
Total	26,425 (117.5%)	2,531 (Year-on-year quarter 1,032)

※ Segment income (loss) is Operating income(loss) of the Company and its consolidated subsidiaries.

(Japan)

Net sales significantly increased by JPY 2,732 million over Year-on-year quarter to JPY 12,096 million, due to no emergency declaration for COVID-19 as in the previous fiscal year, and sales growth driven by DTC business, including DESECNTE GOLF COMPLEX GINZA, which opened in March 2022, and e-commerce.

In terms of brands, sales of “DESCENTE” brand continued to be strong due to the effect of campaigns involving a baseball player Shohei Ohtani and a volleyball player Yuki Ishikawa, as well as the restoration of team sports. In addition, Net Sales of golf brands such as “le coq sportif” and “Munsingwear”, which operate department stores and other DTCs, increased. Gross profit also significantly increased as a result of ongoing business restructuring efforts and further restraint in product returns and discounts in domestic operations.

SG&A expenses increased in variable expenses such as sales commissions. The segment income, however, as Net Sales and gross profit increase exceeded the increase in SG&A expenses, JPY 1,376 million (JPY 93 million Year-on-year quarter).

In the first quarter of the fiscal year under review, the segment income exceeded South Korea segment income for the first time in recent 14 years. This was the result of efforts to control inventories effectively by reducing excessive production and steadily improve profitability.

(South Korea)

Although market conditions were severe due to the impact of COVID-19, the liquidation of unprofitable stores have proceeded well, and Net Sales increased compared to the same quarter of the previous fiscal year. In particular, sales of “umbro” continued to grow up by approx. 70% over the same quarter of the previous fiscal year. In this brand, set-up wear and jogger pants were popular, and thick-soled sneakers such as BUMPY, TOBY, STONY were also hit among young women, mainly teenagers, leading to the acquisition of new customers. The segment income was JPY 1,225 million (JPY 762 million Year-on-year quarter) due to the increase in sales.

(China)

In Hong Kong, tight controls against the spread of COVID-19 infections began in January 2022, bringing malls and department stores out of business or open for shorter hours. In March, such controls also began in the northern and southern areas of mainland China. In addition to the closure of stores, the operation of distribution centers and e-commerce warehouses also temporarily closed and had a major impact. However, due to strong sales outside the restricted areas and strong e-commerce sales in SHANGHAI DESCENTE COMMERCIAL CO., LTD in February, both sales and gross profits increased and the segment income was JPY 124 million (JPY 107 million Year-on-year quarter). And, although not included in the segment income, DCH, an equity-method affiliate that develops “DESCENTE” brand, also maintained its strong performance in the first quarter of the fiscal year under review, despite the impact of COVID-19 in March.

Net Sales by item is as follows.

(Net sales by Item)

Item	Amount	Composition Ratio	Comparison with the same quarter of the previous fiscal year
	Yen in millions	%	%
Athletic wear and related products	16,356	61.9	117.3
Golf wear and related products	8,189	31.0	123.5
Outdoor wear and related products	1,325	5.0	88.1
Adjustment	553	2.1	137.1
Total	26,425	100.0	117.5

(Athletic wear and related products)

Sales of DESCENTE were strong in Japan, South Korea, and China, as well as strong sales of “arena”, driven by the revitalization of branded marketing activities. Sales of “le coq sportif” began to recover in Japan, mainly by the contribution of renewing our product planning and targeting, and aggressive PR conduct with Ikeda Elaiza as an Ambassador. As for shoes, regular line-ups like all-weather-use model became established in the market. In South Korea, “umbro” street fashion reached younger customers and led to sales, and Net Sales in this category increased by 17.3% Year-on-year quarter to JPY 16,356 million.

(Golf wear and related products)

With the continued popularity of golf in the COVID-19 situation, a number of new brands entered this market and intensified the competition. However, as our brands have been highly evaluated for these functionalities, sales of “DESCENTE” increased in three main markets, particularly in Japan. And sales of all golf brands increased, including “le coq sportif”, “Munsingwear”, “LANVIN Sport”, and “SRIXON”. Overall, Net Sales in the golf wear category increased by 23.5% year-on-year quarter to JPY 8,189 million.

(Other Topics)

In the first quarter of the fiscal year, we acquired shares in ARENA(SHANGHAI)INDUSTRIAL CO and LTD., an equity-method affiliate, and made them a Consolidated subsidiary. Under the new structure, we aim to expand sales of “arena” brand in China. The earnings of this company as a Consolidated subsidiary will be incorporated from the second quarter of the fiscal year ended March 2023.

As part of the regional strategies to expand earnings, in Japan, we are steadily promoting product planning and distribution reforms, primarily to strengthen the DTC business. For the members of CLUB DESCENTE, which is provided by DESCENTE JAPAN LTD, we are expanding our services, such as meetings with Ambassadors for each brand, guidance on preferential bookings for limited-edition products, and holding a secret sale. The number of registered members is increasing every year. In June, we held a Father’s Day fair starring Polo Shirts, which is one of our strengths, along with approaching gift demand. We are implementing measures to acquire New members and expand sales at directly managed stores and e-commerce. There were also bright topics in this quarter. Ohtani Shohei, wearing DESCENTE brand, did great performance in the major leagues. As for golf, Watanabe Ayaka and the Koizumi Sakura won the domestic tournaments.

At the 19th World Championship Swimming Competition in Budapest, which began on June 18, we supplied the Delegation Wear of Japan team with the “arena” brand. The “arena” brand was ranked the first in the share of swimwear for all players who participated in the Competition, and brand exposure increased significantly due to the acquisition of medals by our contracted players. As part of our efforts to incorporate ESG perspectives and for sustainability, we have been implementing SAVE THE PENGUIN Campaign in “Munsingwear” brand since 2019, which aims to curb global warming and environmental deterioration, in order to protect the brand’s symbol of penguin from the threat of extinction. We have donated a portion of our sales to the penguin protection organization. In accordance with the proposals of the Task force on Climate-related Financial Disclosures (TCFD) established by the G20 Financial Stability Board regarding the impact of climate change-related risks and earnings opportunities on the Company’s business activities and earnings, etc., the Group is also moving forward with its responses.

We are engaged in a variety of environmental improvement initiatives, including the development of products using materials that reduce environmental impact, the emission of GHGs, industrial waste, and the conservation of the natural environment. Emissions of GHGs at domestic sites were 999 tons in the fiscal year ending March 2022 (239 tons in Scope 1 and 760 tons in Scope 2), a 10% reduction from the previous fiscal year. ※Investigation period: April 1, 2021 to March 31, 2022

In the perspective of corporate governance, we are working to realize diversity in our board of directors’ meeting and core human resources. And in June 2022, we appointed a woman as outside Director at the General Meeting of Shareholders. We will continue to strive to train human resources by fairly hiring and evaluating personnel who possess the skills necessary to sustain our business regardless of gender, nationality, or business experience at other companies.

(2) Explanation of Financial Position

Total assets at the end of the first quarter of the fiscal year under review was JPY 115,612 million, decreased by JPY 763 million from the end of previous fiscal year.

Current assets decreased by JPY 1,889 million from the end of previous fiscal year to JPY 71,777 million, mainly due to a decrease of Cash and deposits by JPY 4,740 million, an increase of Merchandise and finished goods by JPY 1,786 million, and an increase of account receivable (in Current assets - Others) by JPY 959 million.

Non-current assets increased by JPY 1,126 million from the end of Previous fiscal year to JPY 43,834 million, mainly due to an increase in investments and other assets by JPY 1,641 million and a decrease in deferred tax assets by JPY 310 million.

Total liabilities decreased by JPY 3,787 million from the end of Previous fiscal year to JPY 25,929 million, mainly due to a decrease in Notes and accounts payable – trade by JPY 2,180 million, a decrease in provision for bonuses by JPY 950 million, and a decrease in Income taxes payable by JPY 346 million.

Net assets increased by JPY 3,023 million from the end of Previous fiscal year to JPY 89,682 million, mainly due to an increase in Foreign currency translation adjustment by JPY 2,750 million and an increase in Retained earnings by JPY 466 million.

As a result, the equity ratio increased by 3.1% from the end of the previous fiscal year to 77.6%.

(3) Explanation of Consolidated Performance Forecasts

The forecasts for the first half of the fiscal year ending March 2023 and for the full year announced on May 12, 2022 have been revised upward because they are expected to exceed the forecasts. For details, please refer to "Notice of Revision to Earnings Forecast for the Fiscal Year Ending March 2023" disclosed today.

2. Quarterly Consolidated Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Yen in millions)

	Previous fiscal year (As of March 31, 2022)	1Q FY 2022 (As of June 30, 2022)
Assets		
Current assets		
Cash and deposits	35,113	30,373
Notes and accounts receivable - trade	15,028	15,607
Merchandise and finished goods	19,093	20,879
Work in process	159	233
Raw materials and supplies	533	547
Others	3,796	4,193
Allowance for doubtful accounts	(56)	(56)
Total current assets	73,667	71,777
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,005	9,138
Others	12,919	12,575
Total property, plant and equipment	21,925	21,713
Intangible assets	1,822	1,733
Investments and other assets		
Investments in securities	13,645	15,286
Retirement benefit assets	69	369
Others	5,293	4,779
Allowance for doubtful accounts	(48)	(48)
Total investments and other assets	18,960	20,387
Total non-current assets	42,708	43,834
Total assets	116,375	115,612
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,249	10,068
Income taxes payable	546	200
Provision for bonuses	1,477	526
Others	11,235	10,529
Total current liabilities	25,508	21,324
Non-current liabilities		
Others	4,208	4,605
Total non-current liabilities	4,208	4,605
Total liabilities	29,716	25,929

(Yen in millions)

	Previous fiscal year (As of March 31, 2022)	1Q FY 2022 (As of June 30, 2022)
Net assets		
Shareholders' equity		
Capital stock	3,846	3,846
Capital surplus	25,377	25,377
Retained earnings	53,594	54,061
Treasury stock	(615)	(616)
Total shareholders' equity	82,202	82,669
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	289	245
Deferred gains or losses on hedges	(5)	(135)
Foreign currency translation adjustment	3,637	6,388
Remeasurements of Retirement benefit plans	535	514
Total accumulated other comprehensive income	4,456	7,013
Total net assets	86,658	89,682
Total liabilities and net assets	116,375	115,612

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income

Quarter Consolidated Statements of Income

First Quarter

(Yen in millions)

	Previous First Quarter Cumulative Consolidated (April 1, 2021 To June 30, 2021)	1Q FY 2022 (April 1, 2022 To June 30, 2022)
Net sales	22,481	26,425
Cost of sales	9,221	10,837
Gross profit	13,259	15,588
Selling, general and administrative expenses	12,227	13,056
Operating income	1,032	2,531
Non-operating income		
Interest income	44	96
Dividends income	10	3
Equity in earnings of affiliates	449	565
Others	64	166
Total non-operating income	569	831
Non-operating expenses		
Interest expenses	17	10
Loss on retirement of noncurrent assets	16	9
Others	5	0
Total non-operating expenses	39	20
Ordinary income	1,561	3,342
Extraordinary gains		
Profit on disposal of business	50	-
Gain on step acquisitions	-	92
The gain from negative goodwill	-	35
Total extraordinary income	50	127
Profit before income taxes	1,611	3,469
Income taxes - current	50	140
Income taxes - deferred	427	975
Total income taxes	477	1,116
Quarterly net income	1,133	2,353
Quarterly net income attributable to owners of the parent	1,133	2,353

Quarter Consolidated Statement of Comprehensive Income

First Quarter

(Yen in millions)

	Previous First Quarter Cumulative Consolidated (April 1, 2021 To June 30, 2021)	1Q FY 2022 (April 1, 2022 To June 30, 2022)
Quarterly net income	1,133	2,353
Other comprehensive income		
Valuation difference on available-for-sale securities	(11)	(43)
Deferred gains or losses on hedges	(12)	(129)
Foreign currency translation adjustment	1,321	1,864
Remeasurements of retirement benefit plans	(17)	(21)
Share of other comprehensive income (loss) of entities accounted for using equity method	562	885
Total other comprehensive income	1,842	2,557
Quarterly comprehensive income	2,976	4,910
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	2,976	4,910

(3) Notes on Quarterly Consolidated Financial Statements

(Going Concern Assumptions)

None

(Notes on Significant Changes in Shareholders' equity)

None

(Application of particular accounts procedures to the preparation of quarterly consolidated financial statements)

Calculation of tax expenses

For some consolidated subsidiaries, tax expenses are calculated by reasonably estimating the effective tax rate after the application of tax effect accounting to income before income taxes for consolidated fiscal year, including the first quarter under review, and multiplying income before income taxes by such estimated effective tax rate.

Income taxes of these consolidated subsidiaries are included in Income taxes - current.

(Changes in Accounting Policies)

None

(Segment information, etc.)

I. Previous 1Q (From April 1, 2021 to June 30, 2021)

Net Sales and Income (Loss) by reportable segments

	Reportable segments					Adjustment (NOTE 1,2)	(Yen in millions) Amount shown recorded on consolidated income statements (NOTE 3)
	Japan	South Korea	China	Others	Total		
Net sales							
Sales to External Customers	9,364	11,737	975	-	22,078	403	22,481
Intersegment Sales or Transfers	532	138	15	-	687	(687)	-
Total	9,897	11,876	991	-	22,765	(283)	22,481
Segment Income (loss)	93	762	107	(0)	964	67	1,032
Other Items							
Equity in earnings of affiliates	-	△43	567	-	524	(74)	449
Investments in equity-method affiliates	-	160	10,671	-	10,831	-	10,831

(NOTE)

1 Adjustment of Sales to External Customers is recorded by the Company as a pure holding company.

2 Adjustment of segment income (loss) is the elimination of intersegment transactions, Adjustment of unrealized gains on inventories, and our income (loss) not allocated to the respective Reportable segments.

3 Segment income (loss) is adjusted with Operating income of quarterly Consolidated Statements of Income.

II. Consolidated for the First Quarter (From April 1, 2022 to June 30, 2022)

1. Net Sales and Income (Loss) by reportable segments

(Yen in millions)

	Reportable segments					Adjustment (NOTE 1,2)	Amount shown recorded on consolidated income statements (NOTE 3)
	Japan	South Korea	China	Others	Total		
Net sales							
Sales to External Customers	12,096	12,710	1,065	-	25,872	553	26,425
Intersegment Sales or Transfers	689	169	12	-	871	(871)	-
Total	12,785	12,879	1,078	-	26,743	(318)	26,425
Segment profit	1,376	1,225	124	-	2,726	(194)	2,531
Other Items							
Equity in earnings of affiliates	-	(9)	683	-	674	(108)	565
Investments in equity-method affiliates	-	4	15,407	-	15,412	-	15,412

(NOTE)

- 1 Adjustment of Sales to External Customers is recorded by the Company as a pure holding company.
- 2 Adjustment of segment income (loss) is the elimination of intersegment transactions, Adjustment of unrealized gains on inventories, and our income (loss) not allocated to the respective Reportable segments.
- 3 Segment income (loss) is adjusted with Operating income of quarterly Consolidated Statements of Income.

2.Changes in Reportable Segments

From the first quarter of the fiscal year under review, as the Company changed to a pure holding company structure in April 2022, which was included in "Japan". Accordingly, the method of inclusion in "Adjustment" has been changed.

The segment data for the first quarter Consolidated of the previous fiscal year has been prepared using the new classification method.

3.Supplemental Information

Overseas sales

Previous 1st Quarter (From April 1, 2021 to June 30, 2021)

(Yen in millions, %)

	South Korea	China	Others	Total
I. Overseas sales	11,301	1,814	56	13,171
II. Consolidated net sales				22,481
III. Percentages of overseas net sales in consolidated net sales	50.3	8.1	0.2	58.6

First Quarter under review (From April 1, 2022 to June 30, 2022)

(Yen in millions, %)

	South Korea	China	Others	Total
I. Overseas sales	12,154	2,101	224	14,480
II. Consolidated net sales				26,425
III. Percentages of overseas net sales in consolidated net sales	46.0	8.0	0.9	54.8

(NOTE) Net Sales are based on the customer's location and classified into countries or regions.