



# Consolidated Earnings Report for the First Half of Fiscal 2024, Ending March 31, 2025 [Japanese GAAP]

October 29, 2024

Company Name:	<b>KOITO MANUFACTURING CO., LTD.</b>
Stock Listing:	Prime Market, Tokyo Stock Exchange
Code Number:	7276
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Filing of Securities Report of First Half:	November 8, 2024
Scheduled Payment of Dividends:	December 5, 2024
Supplementary explanatory materials prepared:	Yes
Explanatory meeting:	Yes

(¥ millions are rounded down)

## 1. Consolidated Results for the First Half of Fiscal 2024 (April 1, 2024 to September 30, 2024)

(1) Consolidated Operating Results (¥ millions; percentage figures represent year-on-year changes)

First Half	Net sales	Operating income	Recurring profit	Profit attributable to owners of parent
Fiscal 2024	444,073 $\triangle 5.1\%$	18,067 $\triangle 44.4\%$	19,871 $\triangle 46.2\%$	11,282 $\triangle 55.8\%$
Fiscal 2023	468,153 12.6%	32,513 64.3%	36,909 64.7%	25,524 263.3%

Note: Comprehensive income: September 30, 2024: ¥ $\triangle 10,156$  million (—), September 30, 2023: ¥63,175 million (79.7%)

First Half	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2024	37.30	37.29
Fiscal 2023	80.76	80.75

## (2) Consolidated Financial Position

(¥ millions)

	Total assets	Net assets	Equity ratio (%)	Net assets per share (¥)
September 30, 2024	882,928	673,249	70.7	2,111.72
March 31, 2024	965,595	719,270	69.6	2,182.85

Note: Equity: September 30, 2024: ¥624,234 million, March 31, 2024: ¥671,825 million

## 2. Dividends

	Dividend per share (¥)				
	First Quarter	Second Quarter	Third Quarter	Year End	Full Year
Fiscal 2023	—	25.00	—	28.00	53.00
Fiscal 2024	—	28.00			
Fiscal 2024 (forecast)			—	28.00	56.00

Notes: Revisions to recent dividend forecasts: None

## 3. Forecast of Consolidated Results for Fiscal 2024 (April 1, 2024 to March 31, 2025)

(¥ millions; percentage figures represent year-on-year changes)

	Net sales	Operating income	Recurring profit	Profit attributable to owners of parent	Net income per share (¥)
Full year	912,000 $\triangle 4.0\%$	43,000 $\triangle 23.2\%$	46,000 $\triangle 27.3\%$	31,000 $\triangle 24.2\%$	104.87

Note: Revisions to recent consolidated business forecasts: Yes

**\*Notes**

(1) Changes to important subsidiaries during the first half of fiscal 2024: None

(2) Application of special accounting methods in the preparation of consolidated financial statements: None

(3) Changes in accounting principles, accounting estimates and restatements

① Changes in accounting policies in conjunction with revisions to accounting standards: Yes

② Other changes: None

③ Changes in accounting estimates: None

④ Restatements: None

Note: For details, please refer to “2. Consolidated Financial Statements and Major Notes (4) Notes on Consolidated Financial Statements (Changes of Accounting Policies)” on page 10 of the attached document.

(4) Number of shares issued (common stock)

① Number of shares issued (including treasury stock):

② Number of treasury stock:

③ Average number of stock during the first half

:

September 30, 2024	307,833,172	March 31, 2024	307,833,172
September 30, 2024	12,228,053	March 31, 2024	58,653
Fiscal 2024	302,507,276	Fiscal 2023	316,051,411

\*This consolidated earnings report is not subject to the auditing procedures by certified public accountants or auditing firms.

\*Explanations concerning proper use of business forecasts and other noteworthy matters

(Notes on future assumptions)

The above forecasts are based on information available, and certain assumptions that are judged to be reasonable, at the time of the release of this report. KOITO is not promising that the Company will achieve these forecasts. Actual results could differ from forecasts due to a variety of factors.

The exchange conversion rate based on the full-year business forecast for fiscal 2024, the year ending March 2025, is calculated as 1 US\$ = ¥151.2 and 1 CNY = ¥20.9

(Supplementary materials for financial results)

Supplementary materials will be available on our website. (<https://www.koito.co.jp/english/ir/>)

《 For Reference Only 》

**Forecast of Non-consolidated Result for Fiscal 2024 (April 1, 2024 to March 31, 2025)**

(¥ millions; percentage figures represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share (¥)
Full year	326,000	△4.5%	5,000	△72.8%	26,000	△35.0%	25,500	△2.3%	86.26

Note: Revisions to recent non-consolidated business forecasts: Yes

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## 1. Overview of Operating Results, etc.

### (1) Overview of Business Results for the First Half

The economic situation during the first half of fiscal 2024 in Japan, the U.S., and ASEAN countries showed a gradual recovery trend due to firm consumer spending and other factors, but the overall economic outlook remained uncertain due to the economic slowdown in China and geopolitical risks.

Under these circumstances, global automobile production volume declined year on year in Japan due to automakers' fraud problems and production stoppages caused by typhoons, and production in North America also declined due to quality and parts supply issues. In China, production increased mainly in local automakers due to the effect of measures to stimulate sales of EVs, but production by Japanese automakers declined significantly due to continued sluggish sales of Japanese vehicles. Although production in India increased, production in Thailand, Indonesia, and other Asian countries decreased due to continued sluggish sales caused by persistently high interest rates.

Regarding net sales during the first half of fiscal 2024, in North America, new orders and foreign currency translation contributed to increase in net sales (increase by 2.4% year on year) despite the impact of production cutbacks. The consolidated net sales decreased by 5.1% year on year to ¥444.0 billion due to a decrease in sales in Japan (decrease by 7.0% year on year) resulting from lower production and a decrease in sales in China (decrease by 22.7% year on year) resulting from sluggish sales of Japanese vehicles.

Regarding profits, the operating income decreased 44.4% to ¥18.0 billion, the recurring profit decreased by 46.2% to ¥19.8 billion, interim profit attributable to owners of the parent was ¥11.2 billion, decreased 55.8% from the same period of the previous fiscal year, resulting from reduced revenue due to lower production in Japan and overseas, higher fixed cost burden, and increased R&D investment for future growth, despite the promotion of improvement and rationalization activities at each group company.

### (2) Overview of Financial Position for the First Half

#### -1. Analysis of assets, liabilities and net assets

Total assets at the end of the first half decreased by ¥82.6 billion from the end of the previous fiscal year to ¥882.9 billion, due to a decrease in cash and deposits resulting from the acquisition of own shares and a decrease in investment securities.

Total liabilities decreased by ¥36.6 billion from the end of the previous fiscal year to ¥209.6 billion due to a decrease in trade notes and accounts payable.

Total net assets decreased by ¥46.0 billion from the end of the previous fiscal year to ¥673.2 billion, due to acquisition of own shares.

#### -2. Analysis of cash flows

Net cash provided by operating activities was ¥47.1 billion, mainly due to income before income taxes of ¥18.9 billion and depreciation of ¥21.0 billion, and cash flows from the operating activities was ¥39.0 billion (first half of the previous fiscal year: ¥48.6 billion) after reflecting income taxes paid.

Net cash used in investing activities was ¥7.2 billion (first half of the previous fiscal year: payments of ¥43.1 billion), mainly due to payments into time deposits of ¥124.3 billion and capital expenditures of ¥25.2 billion, while there was ¥137.5 billion in proceeds from withdrawal of time deposits.

Cash flows from financing activities resulted in expenditures of ¥40.4 billion (first half of the previous fiscal year: payments of ¥46.0 billion), the result of mainly reflecting the acquisition of own shares of ¥26.1 billion and the dividend paid of ¥9.9 billion.

As a result, the balance of cash and cash equivalents at the end of the first half decreased by ¥10.2 billion from the end of the previous fiscal year to ¥124.2 billion.

### (3) Explanation Regarding Forecasts for Fiscal 2024 and Other Future Projections

Regarding the global automobile production volume in the fiscal 2024, the year ending March 31, 2025, while we hope for a rebound in automobile production volume from the shutdowns induced by the automobile manufactures' frauds and typhoons in Japan, we still do not anticipate a full recovery and expect a reduction in annual production compared to the previous fiscal year. Similarly, we expect a challenging business environment with ongoing uncertainty about the future will persist in overseas markets due to the prolonged parts supply issues in the U.S. and the decline in production of Japanese vehicles in China.

Under these circumstances, we expect consolidated net sales to decrease from the previous fiscal year. Regarding profits, although the group company will strengthen and continue to improve productivity and rationalize improvements to counter the impact of lower sales, operating income, recurring profit, and profit attributable to owners of the parent are also expected to decrease from the previous fiscal year due to increased investments in response to new orders and R&D investments for the future.

KOITO is committed to further increasing its corporate value and enhancing returns to shareholders through business investment for sustainable growth. Regarding dividends, KOITO's policy is to continuously pay stable dividends to shareholders based on the comprehensive evaluation of our present business results, business climate, etc.

Although the business environment is extremely severe, with both sales and profits are expected to decline compared to the previous fiscal year, on the basis of the above policy, KOITO has decided to pay an interim dividend of ¥28 per share, an increase of ¥3 from the same period of the previous year, same amount with our latest forecast.

The full year dividend for this fiscal year is scheduled to be ¥56 per share, an increase of ¥3 from the previous fiscal year. KOITO will continue our efforts to improve profitability in order to meet the expectations of our shareholders.

Furthermore, regarding the earnings forecast (consolidated and non-consolidated) for the fiscal year ending March 2025, which was announced in the "Announcement Regarding the Revision of the Business Results Forecast" dated July 29, 2024, we have revised its projected figures based on the recent performance trends as follows:

(¥ millions, ¥ millions are rounded down)

#### Consolidated Results for Fiscal 2024

	Net sales	Operating income	Recurring profit	Profit attributable to owners of parent	Net income per share (¥)
Previously announced forecast (A)	928,500	49,000	54,500	37,000	122.00
Actual results for fiscal 2024 (B)	912,000	43,000	46,000	31,000	104.87
Difference (B-A)	△16,500	△6,000	△8,500	△6,000	—
Change (%)	△1.8	△12.2	△15.6	△16.2	—
(Reference) Actual results for previous year (fiscal 2023)	950,295	55,995	63,265	40,879	130.93

#### (Reference) Non-Consolidated Results for Fiscal 2024

	Net sales	Operating income	Recurring profit	Net income	Net income per share (¥)
Previously announced forecast (A)	332,000	6,000	28,500	28,000	92.32
Actual results for fiscal 2024 (B)	326,000	5,000	26,000	25,500	86.26
Difference (B-A)	△6,000	△1,000	△2,500	△2,500	—
Change (%)	△1.8	△16.7	△8.8	△8.9	—
(Reference) Actual results for previous year (fiscal 2023)	341,254	18,393	40,000	26,092	83.57

**2. Consolidated Financial Statements and Notes**  
**(1) Consolidated Balance Sheets**

(¥ millions)

	Fiscal 2023	First Half of Fiscal 2024
	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
<b>Current assets:</b>		
Cash and time deposits	302,874	278,729
Trade notes	6,382	3,997
Electronically recorded monetary claims-operating	8,699	8,694
Accounts receivable	127,597	112,873
Contract assets	1,468	1,999
Marketable securities	—	1,500
Inventories	95,796	95,071
Other current assets	40,040	33,571
Allowance for doubtful accounts	△360	△268
<b>Total current assets</b>	<b>582,498</b>	<b>536,167</b>
<b>Non-current assets:</b>		
<b>Property, plant and equipment:</b>		
Buildings and structures (net)	59,416	57,576
Machinery and transportation equipment (net)	85,024	78,963
Fixtures, equipment and tools (net)	20,226	19,557
Land	19,078	19,793
Construction in progress	16,424	19,938
Other property, plant and equipment	6,136	5,488
<b>Total property, plant and equipment</b>	<b>206,305</b>	<b>201,318</b>
<b>Intangible fixed assets</b>	<b>2,482</b>	<b>2,565</b>
<b>Investments and other assets:</b>		
Investment securities	147,537	125,724
Claims provable in bankruptcy, claims provable in rehabilitation and other	452	443
Deferred income tax assets	19,563	10,382
Net defined assets for retirement benefits	3,677	3,549
Other investments	3,646	3,324
Allowance for doubtful accounts	△568	△545
<b>Total investments and other assets</b>	<b>174,308</b>	<b>142,877</b>
<b>Total non-current assets</b>	<b>383,096</b>	<b>346,760</b>
<b>Total assets</b>	<b>965,595</b>	<b>882,928</b>

(¥ millions)

	Fiscal 2023 As of March 31, 2024	First Half of Fiscal 2024 As of September 30, 2024
<b>Liabilities</b>		
<b>Current liabilities:</b>		
Trade notes and accounts payable	103,100	93,413
Electronically recorded monetary obligations-operating	3,036	4,191
Short-term loans	14,295	10,167
Accrued expenses	28,613	29,600
Income taxes payable	9,857	2,082
Contract liabilities	3,110	3,273
Allowance for employees' bonuses	6,720	7,458
Reserve for product warranties	3,246	2,743
Other current liabilities	20,497	18,200
<b>Total current liabilities</b>	<b>192,479</b>	<b>171,130</b>
<b>Non-current liabilities:</b>		
Deferred income tax liabilities	27,879	15,070
Allowance for directors' and corporate auditors' retirement benefits	312	342
Reserve for product warranties	3,436	2,993
Net defined liability for retirement benefits	16,253	14,883
Other non-current liabilities	5,963	5,258
<b>Total non-current liabilities</b>	<b>53,845</b>	<b>38,548</b>
<b>Total liabilities</b>	<b>246,324</b>	<b>209,679</b>
<b>Net assets</b>		
<b>Shareholders' equity:</b>		
Common stock	14,270	14,270
Additional paid-in capital	13,188	13,188
Retained earnings	524,380	527,046
Treasury common stock, at cost	△148	△26,243
<b>Total shareholders' equity</b>	<b>551,691</b>	<b>528,261</b>
<b>Accumulated other comprehensive income:</b>		
Valuation adjustment on marketable securities	43,791	31,562
Translation adjustments	71,499	59,634
Adjustments in defined benefit plans	4,843	4,775
<b>Total accumulated other comprehensive income</b>	<b>120,133</b>	<b>95,972</b>
<b>Subscription rights to shares</b>	<b>106</b>	<b>97</b>
<b>Non-controlling interests</b>	<b>47,338</b>	<b>48,917</b>
<b>Total net assets</b>	<b>719,270</b>	<b>673,249</b>
<b>Total liabilities and net assets</b>	<b>965,595</b>	<b>882,928</b>



**(2) Consolidated Statements of Income and Comprehensive Income**  
(First half, for the six months ended September 30)

(¥ millions)

	First Half of Fiscal 2023 April 1, 2023 to September 30, 2023	First Half of Fiscal 2024 April 1, 2024 to September 30, 2024
<b>Net sales</b>	468,153	444,073
Cost of sales	411,145	401,042
<b>Gross profit</b>	57,007	43,031
Selling, general and administrative expenses	24,494	24,963
<b>Operating income</b>	32,513	18,067
Non-operating income:		
Interest income	1,632	2,399
Dividends receivable	851	927
Foreign exchange gains	2,663	—
Other non-operating income	982	1,170
Total non-operating income	6,130	4,498
Non-operating expenses		
Interest expenses	303	202
Shares of loss of entities accounted for using equity method	363	7
Foreign exchange losses	—	1,113
Loss on investment partnership management	247	190
Other non-operating expenses	819	1,179
Total non-operating expenses	1,734	2,693
<b>Recurring profit</b>	36,909	19,871
Extraordinary gains:		
Gain on sales of property and equipment	43	38
Gain on sales of investment securities	1,116	—
Insurance income	15	155
Other extraordinary gains	—	32
Total extraordinary gains	1,175	226
Extraordinary losses:		
Loss on sales and disposal of property and equipment	453	1,076
Impairment loss	135	—
Other extraordinary losses	—	68
Total extraordinary losses	589	1,145
<b>Income before income taxes</b>	37,496	18,953
Total income taxes	9,416	5,574
Net income	28,079	13,378
(Break down)		
Profit attributable to non-controlling interests	2,554	2,095
Profit attributable to owners of parent	25,524	11,282

(¥ millions)

	First Half of Fiscal 2023 April 1, 2023 to September 30, 2023	First Half of Fiscal 2024 April 1, 2024 to September 30, 2024
Other comprehensive income		
Valuation adjustment on marketable securities	10,420	△12,225
Translation adjustments	24,831	△11,243
Adjustments in defined benefit plans	△165	△67
Share of other comprehensive income of entities accounted for using equity method	9	1
Total other comprehensive income	35,095	△23,535
Comprehensive income	63,175	△10,156
(Break down)		
Comprehensive income attributable to non-controlling interests	4,841	2,720
Comprehensive income attributable to owners of parent	58,334	△12,877

**(3) Consolidated Statements of Cash Flows**

(¥ millions)

	First Half of Fiscal 2023 April 1, 2023 to September 30, 2023	First Half of Fiscal 2024 April 1, 2024 to September 30, 2024
<b>Cash flows from operating activities</b>		
Income before income taxes	37,496	18,953
Depreciation	20,755	21,010
Impairment loss	135	—
Equity in earnings of affiliated companies	363	7
Provision for allowance for doubtful accounts	△130	△104
Decrease in retirement benefit asset and liability	△847	△1,351
Provision for reserve for bonuses	783	805
Reserve for product warranties	△893	△849
Interest and dividends received	△2,484	△3,327
Insurance claim received	△37	—
Interest payments	303	202
Gain on sales of marketable and investment securities	△1,116	—
Loss on valuation of marketable and investment securities	247	190
Loss on sale of property and equipment	410	1,038
Decrease in trade notes and accounts receivable	4,439	14,302
Increase or decrease in inventories	1,709	△1,794
Increase or decrease in other current assets	△2,343	3,327
Decrease in trade notes and accounts payable	△1,248	△7,221
Increase in accrued expenses and other current liabilities	1,825	2,611
Others	△1,569	△629
Sub total	57,798	47,171
Interest and dividends received	2,429	3,288
Interest paid	△303	△202
Compensation payment for damages paid	37	—
Income taxes paid	△11,358	△11,197
<b>Net cash provided by operating activities</b>	<b>48,603</b>	<b>39,060</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	△49,122	△124,307
Proceeds from time deposits	41,941	137,543
Payments for purchase of marketable and investment securities	△20,504	△98
Proceeds from sales of marketable and investment securities	2,075	2,500
Acquisition of property and equipment	△18,752	△25,206
Proceeds from sale and disposal of property and equipment	△186	△418
Payments for new loans	△3	△1
Proceeds from loan repayments	1	2
Others	1,396	2,736
<b>Net cash used in investing activities</b>	<b>△43,155</b>	<b>△7,251</b>

(¥ millions)

	First Half of Fiscal 2023 April 1, 2023 to September 30, 2023	First Half of Fiscal 2024 April 1, 2024 to September 30, 2024
<b>Cash flows from financing activities</b>		
Increase or decrease in short-term loans	△4,337	△3,965
Payments for repurchase of treasury stock	△35,000	△26,103
Proceeds from exercise of stock options	0	0
Dividends paid by parent company	△5,143	△8,612
Dividends paid to non-controlling shareholders	△1,418	△1,355
Others	△103	△428
<b>Net cash used in financing activities</b>	<b>△46,002</b>	<b>△40,466</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,430</b>	<b>△1,641</b>
<b>Increase or decrease in cash and cash equivalents</b>	<b>△39,124</b>	<b>△10,299</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>145,798</b>	<b>134,560</b>
<b>Cash and cash equivalents at end of first half</b>	<b>106,673</b>	<b>124,260</b>

#### **(4) Notes on Consolidated Financial Statements**

(Going Concern Assumption)

None

(Note Regarding Significant Changes in Shareholders' Equity)

The Company resolved at the meeting of the Board of Directors held on March 28, 2024, the matters concerning the acquisition of own shares pursuant to the provisions of Article 156 of the Companies Act, as applied by replacing the relevant terms pursuant to the provisions of Article 165, paragraph (3) of the same Act. The Company is proceeding with the acquisition of own shares from April 1, 2024 to March 24, 2025, with a maximum number of 35 million shares to be repurchased and a total amount of ¥50.0 billion. As a result, the Company repurchased approximately 12 million shares and ¥26.1 billion of treasury stock during the first half of this fiscal year. As a result, treasury common stock amounted to ¥26.2 billion at the end of the first half of this fiscal year.

(Notes to Changes of Accounting policies)

(Application of the Accounting Standard for Current Income Taxes)

“The Accounting Standards for Corporate Tax, Resident Tax, and Business Tax, etc. (ASBJ Guidance No. 27, October 28, 2022),” and other standards have been applied since the beginning of fiscal 2024.

The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso (2) of paragraph 65-2 of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter referred to as the “Revised Implementation Guidance 2022”). This change in accounting policies has no impact on these consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of this fiscal year. This change in accounting policies was applied retrospectively. Hence, the consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been modified retrospectively. This change in accounting policies has no impact on the consolidated financial statements for the same period of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

## (Segment Information)

## 【Segment Information】

## I. First Half of Fiscal 2023 (April 1, 2023 to September 30, 2023)

## Information Concerning Net Sales and Operating Income for Each Segment

(¥ millions)

	Japan	North America	China	Asia	Europe	Other regions	Total	Adjust-ment (Note 1)	Amount recorded on consolidated financial statements (Note 3)
Net sales									
Sales to outside customers	176,453	143,801	39,436	76,528	23,679	8,255	468,153	—	468,153
Inter-segment sales and transfers	11,327	2	1,320	1,405	5	—	14,060	(14,060)	—
Total	187,780	143,803	40,757	77,933	23,684	8,255	482,213	(14,060)	468,153
Segment operating income	19,600	1,881	346	7,739	410	1,123	31,101	1,411	32,513

Notes 1. The ¥1,411 million adjustment in segment operating income or loss includes ¥4,481 million in intersegment eliminations and ¥△3,069 million in unallocated expenses. Unallocated expenses comprise expenses related to management divisions such as administrative and accounting divisions of the head office of the parent company.

2. The breakdown of countries and regions other than Japan and China is as follows:

- (1) North America: United States and Mexico
- (2) Asia: Thailand, Indonesia, Taiwan, India and Malaysia
- (3) Europe: United Kingdom and Czech Republic
- (4) Other regions: Brazil

3. Segment operating income is adjusted to operating income in the consolidated financial statements.

## II. First Half of Fiscal 2024 (April 1, 2024 to September 30, 2024)

## Information Concerning Net Sales and Operating Income for Each Segment

(¥ millions)

	Japan	North America	China	Asia	Europe	Other regions	Total	Adjust-ment (Note 1)	Amount recorded on consolidated financial statements (Note 3)
Net sales									
Sales to outside customers	164,047	147,223	30,481	75,137	18,903	8,280	444,073	—	444,073
Inter-segment sales and transfers	9,788	216	5,458	317	70	0	15,851	(15,851)	—
Total	173,836	147,440	35,939	75,455	18,973	8,280	459,925	(15,851)	444,073
Segment operating income or loss (△)	7,298	3,094	△1,001	7,890	△637	579	17,224	843	18,067

Notes 1. The ¥843 million adjustment in segment operating income or loss includes ¥3,881 million in intersegment eliminations and ¥△3,038 million in unallocated expenses. Unallocated expenses comprise expenses related to management divisions such as administrative and accounting divisions of the head office of the parent company.

2. The breakdown of countries and regions other than Japan and China is as follows:

- (1) North America: United States and Mexico
- (2) Asia: Thailand, Indonesia, Taiwan, India and Malaysia
- (3) Europe: United Kingdom and Czech Republic
- (4) Other regions: Brazil

3. Segment operating income or loss is adjusted to operating income in the consolidated financial statements.