



**Consolidated Financial Results**  
**for the Three Months Ended June 30, 2017**  
**[Japanese GAAP]**

August 7, 2017

Company name: Nissha Printing Co., Ltd.  
Stock exchange listing: Tokyo Stock Exchange  
Code number: 7915  
URL: <http://www.nissha.com/english>  
Representative: Junya Suzuki, President and CEO, Chairman of the Board  
Contact: Hayato Nishihara, Senior Executive Vice President, CFO, Member of the Board  
Phone: +81-75-811-8111  
Scheduled date of filing quarterly securities report: August 8, 2017  
Scheduled date of commencing dividend payments: -  
Availability of supplementary briefing material on quarterly financial results: Available  
Schedule of quarterly financial results briefing session: Scheduled (conference call for institutional investors)

(Amounts of less than one million yen are rounded down)

**1. Consolidated Financial Results for the Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017)**

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2017	37,122	52.0	(207)	—	(200)	—	(554)	—
Three months ended June 30, 2016	24,419	15.0	(1,018)	—	(2,959)	—	(3,672)	—

(Note) Comprehensive income: Three months ended June 30, 2017: ¥2,854 million (-%)  
Three months ended June 30, 2016: ¥(5,186) million (-%)

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended June 30, 2017	(11.88)		—	
Three months ended June 30, 2016	(85.58)		—	

(Note) Effective from the fiscal year ending December 31, 2017, the Company changed the fiscal year end date from March 31 to December 31 as a unified fiscal year end date for the Nissha Group. Prior to this change, profits and losses of the Company and domestic consolidated subsidiaries from April 1, 2016 to June 30, 2016 and profits and losses of overseas consolidated subsidiaries from January 1, 2016 to March 31, 2016 were previously consolidated into the consolidated statements of operations for the three months ended June 30, 2016 respectively. However, as a result of the above change, profits and losses of the Company and all consolidated subsidiaries for the period from April 1, 2017 to June 30, 2017 were consolidated into the consolidated statements of operations for the three months ended June 30, 2017. Meanwhile, profits and losses of overseas consolidated subsidiaries and others for the period from January 1, 2017 to March 31, 2017 are adjusted in retained earnings.

## (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of June 30, 2017	Million yen 191,000	Million yen 75,500	% 39.4
As of March 31, 2017	182,670	74,606	40.7

(Reference) Equity: As of June 30, 2017: ¥75,273 million

As of March 31, 2017: ¥74,380 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2017	—	15.00	—	15.00	30.00
Fiscal year ending December 31, 2017	—				
Fiscal year ending December 31, 2017 (Forecast)		15.00	—	15.00	30.00

(Note) Revision of cash dividend forecast: No

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2017 (April 1, 2017 to December 31, 2017)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	140,000	—	5,500	—	5,100	—	4,500	—	96.48

(Note) Revision of consolidated financial results forecast: No

Effective from the fiscal year ending December 31, 2017, the Company changed the fiscal year end date from March 31 to December 31 as a unified fiscal year end date for the Nissha Group. In line with this change, the fiscal year ending December 31, 2017, which is a nine-month period from April 1, 2017 to December 31, 2017, serves the transitional period for the change in the fiscal year end date and therefore the figures of the Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2017 above show the forecasts for that nine-month period. Accordingly, figures indicating changes from the previous corresponding period are not provided in the above table.

[Reference: Consolidated financial results for the nine months ended December 31, 2016]

As mentioned above, since this term is a nine-month period from April 1, 2017 to December 31, 2017, the following table describes the consolidated financial results for the nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016), for reference.

	Net sales	Operating profit	Ordinary profit	(Million yen) Profit attributable to owners of parent
Nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	81,839	(1,630)	(2,272)	(3,355)



## Contents of Appendix

1. Qualitative Information on Consolidated Financial Results for the Period under Review .....	2
(1) Explanation of operating results .....	2
(2) Explanation of financial position .....	5
(3) Explanation of consolidated operating results forecast and other forecast information .....	6
2. Consolidated Financial Statements and Principal Notes.....	7
(1) Consolidated balance sheets .....	7
(2) Consolidated statements of income and comprehensive income .....	9
Consolidated statements of income.....	9
Consolidated statements of comprehensive income.....	10
(3) Consolidated statements of cash flows .....	11
(4) Notes to consolidated financial statements .....	13
(Notes to going concern assumptions) .....	13
(Notes to material changes in shareholders' equity) .....	13
(Adoption of special accounting treatment for preparing quarterly consolidated financial statements) .....	13
(Segment information, etc.) .....	14

## **1. Qualitative Information on Consolidated Financial Results for the Period under Review**

Effective from the fiscal year ending December 31, 2017, the Company changed the fiscal year end date from March 31 to December 31 as a unified fiscal year end date for the Nissha Group. Prior to this change, profits and losses of the Company and domestic consolidated subsidiaries from April 1, 2016 to June 30, 2016 and profits and losses of overseas consolidated subsidiaries from January 1, 2016 to March 31, 2016 were previously consolidated into the consolidated statements of operations for the three months ended June 30, 2016 respectively. However, as a result of the above change, profits and losses of the Company and all consolidated subsidiaries for the period from April 1, 2017 to June 30, 2017 were consolidated into the consolidated statements of operations for the three months ended June 30, 2017.

Profits and losses of the overseas consolidated subsidiaries and others for the period from January 1, 2017 to March 31, 2017 are adjusted in retained earnings and the related cash flows are adjusted in cash and cash equivalents at beginning of period.

### **(1) Explanation of operating results**

Reflecting on the global economy in the three months ended June 30, 2017, the United States saw ongoing recovery thanks primarily to increased consumer spending and improved employment conditions. In Europe, there remained uncertainty for the future attributable to Brexit and other factors but the economy gradually recovered. In Asia, the economies of emerging countries such as China showed signs of recovery. As for Japan, the economy held steady on an ongoing moderate recovery trend but due consideration must be given to uncertainty over overseas economies, foreign exchange fluctuations and other factors.

The Nissha Group is pursuing growth by reorganizing and optimizing its business portfolio in the Fifth Medium-term Business Plan starting from April 1, 2015. The Nissha Group continues to expand business opportunities in the consumer electronics (IT) field and will aim at broadening its businesses in fields where stable growth on a global scale is expected, such as automotive components and medical devices and consumables. Through these efforts, the Nissha Group aims to establish a well-balanced management base. The financial results for the three months ended June 30, 2017 progressed as projected in general. The scale of business of the Nissha Group expanded thanks to the contributions of medical devices and consumables while advanced costs were incurred for the mass-production phase of large-scale orders received in the mainstay Devices business segment.

As a result, the net sales for the three months ended June 30, 2017 were ¥37,122 million (an increase of 52.0% as compared to the same period of the previous year). For income, operating loss was ¥207 million (operating loss of ¥1,018 million in the same period of the previous year), ordinary loss was ¥200 million (ordinary loss of ¥2,959 million in the same period of the previous year), and loss attributable to owners of parent was ¥554 million (loss attributable to owners of parent of ¥3,672 million in the same period of the previous year).

Following is an overview by business segment.

#### **Industrial Materials**

In the Industrial Materials segment, the Nissha Group mainly offers proprietary technologies that enable to create added value on the surfaces of various materials. IMD and IML, which facilitate simultaneous in-mold decoration

and design of plastic products, are extensively adopted in automotive interior components, home appliances, and smartphones in global markets. Also, our metallized paper, which unites the properties of metallic luster and printing friendliness, has the largest market share in the industry as a packaging material for beverages and foods on a global basis.

During the three months ended June 30, 2017, demand was solid for products for smartphones. In addition, demand progressed mostly as projected for our mainstay automotive components and metallized paper.

As a result, segment sales for three months ended June 30, 2017 were ¥11,886 million, a decrease of 6.2% as compared to the same period of the previous year. Segment profit (operating profit) was ¥458 million, an increase of 2.7% as compared to the same period of the previous year.

#### Devices

In the Devices segment, the Nissha Group produces devices that pursue precision and functionality, including its core products, the FineTouch touch input device. The FineTouch is adopted mainly in smartphones, tablet, mobile game consoles, industrial equipment and automotive components in global markets. In addition, the Nissha Group offers gas sensors that can detect gas conditions, along with other products.

During the three months ended June 30, 2017, demand for products adopted for tablet and game consoles progressed steadily. New large-scale orders received advanced to the mass-production phase, which had a limited effect in contributing to overall results.

As a result, segment sales for the three months ended June 30, 2017 were ¥17,679 million, an increase of 105.4% as compared to the same period of the previous year. Segment loss (operating loss) was ¥30 million (segment loss (operating loss) of ¥550 million in the same period of the previous year).

#### Life Innovation

The Life Innovation segment is a newly established business segment in which Graphic Controls group, a medical devices and consumables manufacturer, acts as a core company to offer high-quality and value-added products in medical devices and consumables and other related fields to contribute to healthy and affluent life. Main products of this segment are disposable electrodes and surgical instruments for medical institutions. Graphic Controls group currently manufactures and sells its own brand products to medical institutions and also provides contract manufacturing services for major medical device manufacturers in the North and Central America and Europe.

During the three months ended June 30, 2017, demand progressed steadily for our mainstay products for contract manufacturing services.

As a result, segment sales for the three months ended June 30, 2017 were ¥4,461 million. Segment profit (operating profit) was ¥125 million.

There is no comparable data and analysis for this segment against the same period of the previous year since this is a new reportable segment, established as a result of the inclusion of Graphic Controls group in the scope of consolidation effective from the third quarter ended December 31, 2016.

## Information and Communication

In the Information and Communication segment, the Nissha Group offers its customers a wide range of professional products and services such as publication printing, commercial printing, sales promotion, web solutions, and digital archiving, thereby assisting a host of marketing strategies and communication strategies relating to advertising and sales promotion.

During the three months ended June 30, 2017, the commercial printing field, the key product field in this segment, was affected by a decrease in the volume of printed materials due to the diversification of information media. These movements led the business into a highly competitive climate.

As a result, segment sales for the three months ended June 30, 2017 were ¥3,016 million, a decrease of 2.9% as compared to the same period of the previous year. Segment loss (operating loss) was ¥215 million (segment loss (operating loss) of ¥126 million in the same period of the previous year).

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

### 1) Assets, liabilities and net assets

Total assets at the end of the first quarter ended June 30, 2017 increased by ¥8,330 million from the end of the previous year (the fiscal year ended March 31, 2017) to ¥191,000 million.

Current assets increased by ¥6,633 million from the end of the previous year to ¥84,812 million. This was mainly attributable to ¥2,858 million increase of notes and accounts receivable-trade, ¥2,605 million increase of work in process, and ¥1,584 million increase of raw materials and supplies.

Non-current assets increased by ¥1,696 million from the end of the previous year to ¥106,188 million. This was mainly because a ¥3,392 million increase of investment securities mainly due to changes in the fair value of available-for-sale securities outweighed a ¥890 million decrease of goodwill and a ¥351 million decrease of customer related assets.

Total liabilities at the end of the first quarter ended June 30, 2017 increased by ¥7,435 million from the end of the previous year to ¥115,499 million.

Current liabilities increased by ¥7,714 million from the end of the previous year to ¥73,426 million. This was mainly attributable to a ¥5,738 million increase of notes and accounts payable-trade.

Non-current liabilities decreased by ¥279 million from the end of the previous year to ¥42,072 million. This was mainly because a ¥992 million decrease of long-term loans payable outweighed a ¥671 million increase of long-term deferred tax liabilities included in the “other” item mainly due to changes in the fair value of available-for-sale securities.

Net assets at the end of the first quarter ended June 30, 2017 increased by ¥894 million from the end of the previous year to ¥75,500 million.

### 2) Cash flows

The balance of cash and cash equivalents (the “funds”) on a consolidated basis at the end of the three months ended June 30, 2017 was ¥15,210 million, a decrease of ¥6,879 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the three months ended June 30, 2017.

#### (Net Cash Provided by (Used in) Operating Activities)

Funds used in operating activities amounted to ¥908 million, an increase of 58.7% as compared to the same period of the previous year. This was mainly because a ¥4,318 million increase in inventories, a ¥2,288 million increase in notes and accounts receivable-trade, and ¥192 million of loss before income taxes outweighed a ¥6,531 million increase in notes and accounts payable-trade.



(Net Cash Provided by (Used in) Investing Activities)

Funds used in investing activities amounted to ¥4,862 million, an increase of 292.7% as compared to the same period of the previous year. This was mainly attributable to the purchase of property, plant and equipment and intangible assets of ¥4,765 million.

(Net Cash Provided by (Used in) Financing Activities)

Funds used in financing activities amounted to ¥1,077 million, an increase of 104.6% as compared to the same period of the previous year. This was mainly attributable to cash dividends paid of ¥689 million and repayments of long-term loans payable of ¥459 million.

**(3) Explanation of consolidated operating results forecast and other forecast information**

The consolidated financial forecasts for the fiscal year ending December 31, 2017 remain the same as those announced on May 12, 2017.

## 2. Consolidated Financial Statements and Principal Notes

### (1) Consolidated balance sheets

(Million yen)

	As of March 31, 2017	As of June 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	22,204	15,326
Notes and accounts receivable-trade	28,284	31,142
Merchandise and finished goods	6,207	6,539
Work in process	5,115	7,720
Raw materials and supplies	4,605	6,190
Other	11,992	18,149
Allowance for doubtful accounts	(230)	(257)
Total current assets	78,179	84,812
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	26,699	26,509
Machinery, equipment and vehicles, net	12,314	11,709
Tools, furniture and fixtures, net	2,470	2,403
Land	6,076	6,089
Leased assets, net	1,815	2,005
Construction in progress	1,475	1,968
Total property, plant and equipment	50,852	50,685
Intangible assets		
Trademark right	3,857	3,624
Software	814	856
Goodwill	23,854	22,963
Technical assets	2,226	2,236
Customer related assets	6,763	6,412
Other	988	954
Total intangible assets	38,505	37,048
Investments and other assets		
Investment securities	14,147	17,539
Other	1,449	1,380
Allowance for doubtful accounts	(462)	(465)
Total investments and other assets	15,133	18,454
Total non-current assets	104,491	106,188
Total assets	182,670	191,000

(Million yen)

	As of March 31, 2017	As of June 30, 2017
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	24,872	30,611
Short-term loans payable	20,294	20,647
Current portion of long-term loans payable	1,448	1,493
Income taxes payable	484	808
Provision for bonuses	1,578	2,455
Provision for directors' bonuses	60	80
Provision for management board benefit trust	101	104
Other	16,869	17,225
Total current liabilities	65,711	73,426
Non-current liabilities		
Bonds payable	11,760	11,760
Long-term loans payable	13,078	12,086
Net defined benefit liability	4,356	4,436
Other	13,157	13,789
Total non-current liabilities	42,352	42,072
Total liabilities	108,064	115,499
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,664	7,664
Capital surplus	11,052	11,052
Retained earnings	45,334	44,099
Treasury shares	(341)	(332)
Total shareholders' equity	63,709	62,483
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	7,779	10,168
Foreign currency translation adjustment	2,560	2,295
Remeasurements of defined benefit plans	331	326
Total accumulated other comprehensive income	10,671	12,790
Non-controlling interests	225	227
Total net assets	74,606	75,500
Total liabilities and net assets	182,670	191,000

**(2) Consolidated statements of income and comprehensive income**

## Consolidated statements of income

(Million yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
Net sales	24,419	37,122
Cost of sales	20,608	31,196
Gross profit	3,810	5,925
Selling, general and administrative expenses	4,828	6,132
Operating loss	(1,018)	(207)
Non-operating income		
Interest income	14	9
Dividend income	72	167
Foreign exchange gains	—	3
Other	24	47
Total non-operating income	111	228
Non-operating expenses		
Interest expenses	79	167
Share of loss of entities accounted for using equity method	29	24
Foreign exchange losses	1,942	—
Other	2	29
Total non-operating expenses	2,053	221
Ordinary loss	(2,959)	(200)
Extraordinary income		
Gain on sales of non-current assets	30	1
State subsidy	39	32
Total extraordinary income	69	34
Extraordinary losses		
Loss on sales and retirement of non-current assets	43	26
Loss on valuation of investment securities	160	—
Impairment loss	246	—
Total extraordinary losses	450	26
Loss before income taxes	(3,340)	(192)
Income taxes	343	375
Loss	(3,683)	(567)
Loss attributable to non-controlling interests	(11)	(13)
Loss attributable to owners of parent	(3,672)	(554)

Consolidated statements of comprehensive income

(Million yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
Loss	(3,683)	(567)
Other comprehensive income		
Valuation difference on available-for-sale securities	(358)	2,392
Foreign currency translation adjustment	(1,138)	1,039
Remeasurements of defined benefit plans, net of tax	7	(10)
Share of other comprehensive income of entities accounted for using equity method	(12)	0
Total other comprehensive income	(1,502)	3,422
Comprehensive income	(5,186)	2,854
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(5,171)	2,862
Comprehensive income attributable to non-controlling interests	(15)	(7)

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

(Million yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
Cash flows from operating activities		
Loss before income taxes	(3,340)	(192)
Depreciation	1,921	2,241
Impairment loss	246	—
Amortization of goodwill	204	362
Increase (decrease) in provision for bonuses	624	825
Increase (decrease) in provision for directors' bonuses	15	20
Increase (decrease) in provision for management board benefit trust	—	2
Increase (decrease) in net defined benefit liability	80	60
Increase (decrease) in allowance for doubtful accounts	0	3
Interest and dividend income	(87)	(177)
Interest expenses	79	167
Foreign exchange losses (gains)	1,345	(86)
Share of (profit) loss of entities accounted for using equity method	29	24
Loss (gain) on valuation of investment securities	160	—
Loss (gain) on sales and retirement of non-current assets	13	24
Decrease (increase) in notes and accounts receivable-trade	5,104	(2,288)
Decrease (increase) in inventories	666	(4,318)
Increase (decrease) in notes and accounts payable-trade	(6,595)	6,531
Other, net	200	(3,697)
Subtotal	667	(497)
Interest and dividend income received	96	175
Interest expenses paid	(72)	(159)
Income taxes paid	(1,315)	(509)
Income taxes refund	52	82
Net cash provided by (used in) operating activities	(572)	(908)

(Million yen)

	Three Months Ended June 30, 2016	Three Months Ended June 30, 2017
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	249	—
Purchase of property, plant and equipment and intangible assets	(1,336)	(4,765)
Proceeds from sales of property, plant and equipment and intangible assets	57	—
Purchase of investment securities	(250)	(1)
Other, net	41	(95)
Net cash provided by (used in) investing activities	(1,238)	(4,862)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(4)	34
Proceeds from long-term loans payable	—	84
Repayments of long-term loans payable	(5)	(459)
Payments for issuance of bonds	(23)	—
Repayments of lease obligations	(43)	(51)
Purchases of treasury shares-net	(0)	3
Cash dividends paid	(629)	(689)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	180	—
Net cash provided by (used in) financing activities	(526)	(1,077)
Effect of exchange rate change on cash and cash equivalents	(1,640)	257
Net increase (decrease) in cash and cash equivalents	(3,977)	(6,590)
Cash and cash equivalents at beginning of period	41,688	22,090
Decrease in cash and cash equivalents from change of accounting period	—	(289)
Cash and cash equivalents at end of period	37,711	15,210

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

(Notes to going concern assumptions)

Not applicable

(Notes to material changes in shareholders' equity)

Not applicable

(Adoption of special accounting treatment for preparing quarterly consolidated financial statements)

Calculation of tax expense

When calculating tax expense, we reasonably estimate the effective tax rate after applying tax-effect accounting for profit (loss) before income taxes in the fiscal year, including the first quarter ended June 30, 2017. We then calculate the tax expense by multiplying profit (loss) before income taxes by the estimated effective tax rate. We use the statutory effective tax rate, however, if the estimated effective tax rate is unavailable.



(Segment information, etc.)

I. The three months ended June 30, 2016 (April 1, 2016 to June 30, 2016)

1. Information about sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment					Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Life innovation	Information and Communi- cation	Sub-total				
Sales									
Sales to external customers	12,669	8,608	—	3,105	24,383	35	24,419	—	24,419
Inter-segment sales or transfers	0	596	—	23	620	248	869	(869)	—
Total	12,670	9,204	—	3,128	25,003	284	25,288	(869)	24,419
Segment profit (loss)	446	(550)	(32)	(126)	(262)	(10)	(272)	(745)	(1,018)

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the landscaping business, etc.

2. The negative ¥745 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.

3. Segment profit (loss) is reconciled with operating loss recorded in the consolidated statements of operations.

II. The three months ended June 30, 2017 (April 1, 2017 to June 30, 2017)

1. Information about sales and profit (loss) by reportable segment

(Million yen)

	Reportable segment					Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Life innovation	Information and Communi- cation	Sub-total				
Sales									
Sales to external customers	11,886	17,679	4,461	3,016	37,043	78	37,122	—	37,122
Inter-segment sales or transfers	—	389	—	18	407	479	886	(886)	—
Total	11,886	18,068	4,461	3,034	37,451	557	38,008	(886)	37,122
Segment profit (loss)	458	(30)	125	(215)	338	16	355	(562)	(207)

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the landscaping business, etc.

2. The negative ¥562 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc.  
Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.
3. Segment profit (loss) is reconciled with operating loss recorded in the consolidated statements of operations.

## 2. Changes in reportable segments, etc.

As a result of the inclusion of Graphic Controls Holdings, Inc. and its group companies in the scope of consolidation in the third quarter ended December 31, 2016, the Nissha Group established the “Life Innovation” segment, a new reportable segment in which Graphic Controls Holdings, Inc. and its group companies promote its business operations in the medical markets.

In addition to the above change, the production and sales business of the Company’s gas sensors, which had been included in the “Other” under reportable segments, was transferred to the “Devices” segment from the third quarter ended December 31, 2016, as a result of the reorganization executed to further expand the scale of business.

Segment information for the three months ended June 30, 2016, disclosed as comparative information for the three months ended June 30, 2017, is prepared based on the new reportable segments after the above changes. This segment information differs from the segment information for the three months ended June 30, 2016 that was disclosed in the previous fiscal year.