



**Consolidated Financial Results**  
**for the Nine Months Ended September 30, 2022**  
**[IFRS]**

November 10, 2022

Company name: Nissha Co., Ltd.  
 Stock exchange listing: Tokyo Stock Exchange  
 Code number: 7915  
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 Scheduled date of filing quarterly securities report: November 11, 2022  
 Scheduled date of commencing dividend payments: –  
 Availability of supplementary briefing material on quarterly financial results: Available  
 Schedule of quarterly financial results briefing session: Scheduled (for institutional investors)

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

**1. Consolidated Financial Results for the Nine Months Ended September 30, 2022 (January 1, 2022 to September 30, 2022)**

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

	Net sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended September 30, 2022	141,382	(2.9)	9,680	(37.4)	13,949	(17.5)	11,806	(18.7)	11,818	(18.7)	20,247	25.4
Nine months ended September 30, 2021	145,532	13.0	15,457	296.9	16,918	333.6	14,517	258.7	14,531	259.0	16,152	267.4

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2022	237.14	–
Nine months ended September 30, 2021	291.68	290.22

(Note) The Company finalized the provisional accounting treatment pertaining to business combinations and changed the accounting policy for configuration or customization costs in cloud computing agreements in the fiscal year ended December 31, 2021, and reflected the details of the finalization of the provisional accounting treatment and retrospective adjustments due to the change in the accounting policy on figures related to the corresponding period of the previous year.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of September 30, 2022	239,281	116,629	116,654	48.8
As of December 31, 2021	209,274	98,264	98,278	47.0

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2021	–	15.00	–	25.00	40.00
Fiscal year ending December 31, 2022	–	15.00	–		
Fiscal year ending December 31, 2022 (Forecast)				35.00	50.00

(Notes)

1. Revision of cash dividend forecast: Yes
2. The year-end dividend for the fiscal year ended December 31, 2021 includes a special dividend of ¥10.

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022 (January 1, 2022 to December 31, 2022)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	197,500	4.3	14,500	(16.5)	18,500	(5.1)	15,000	(5.4)	300.85

(Note) Revision of consolidated financial results forecast: Yes



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

The Company finalized the provisional accounting treatment pertaining to the business combination through the acquisition of Norwalk, Ohio medical manufacturing operation of Olympus Surgical Technologies America on November 2, 2020 and changed the accounting policy for the configuration or customization costs in cloud computing agreements in the fiscal year ended December 31, 2021. Accordingly, the comparison and analysis with the same period of the previous fiscal year are based on figures that reflect the retrospective accounting treatment.

In addition, from the first quarter ended March 31, 2022, the Company has changed some of its classification of business segments, and made comparisons and analysis based on the categories reflecting the change. For details, please see “Segment information” under “(5) Notes to condensed consolidated financial statements.”

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

The Group’s Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all. Guided by this Mission, we established our Sustainability Vision as our long-term vision for 2030, and reflecting backward, formulated a strategy as set forth in our 7th Medium-term Business Plan to achieve our medium-term vision for 2023. Under the 7th Medium-term Business Plan, we aim to construct a foundation for growth by fully utilizing the global business bases we have acquired and built so far and maximizing their synergies.

During the nine months ended September 30, 2022, the global economic environment continued to recover gradually. Meanwhile, the economic outlook became more uncertain due to various trends, specifically such as the acceleration of inflation and continued policy interest rate hikes in the United States and Europe, a stronger U.S. dollar in the foreign exchange market, and the prolonged Russia-Ukraine conflict. In Japan, despite a continued inflation, due to a weaker yen, economic and social activities became more normalized as we embraced the new normal with COVID-19, and economy was trending toward gradual recovery.

Under these conditions, with regard to financial results for the nine months ended September 30, 2022, in the Devices segment, while product demand for smartphones declined year on year, product demand for tablets recovered in the second half of the fiscal year thanks to the easing of constraints on supply such as shortage of semiconductors. Product demand remained firm for decorations and sustainable materials in the Industrial Materials segment and also for contract design/development manufacturing services in the Medical Technologies segment. On the profit front, increase in demand in the Industrial Materials segment and the Medical Technologies segment contributed to our profit. We also repriced some products reflecting cost increase, but our profits were influenced by rises in prices of raw materials and energy and labor costs as well as a decline in product demand for smartphones.

As a result, regarding the financial results for the nine months ended September 30, 2022, net sales were ¥141,382 million (a decrease of 2.9% as compared to the same period of the previous year). Operating profit was ¥9,680 million (a decrease of 37.4% as compared to the same period of the previous year). Profit attributable to owners of parent was ¥11,818 million (a decrease of 18.7% as compared to the same period of the previous year).

Following is an overview by business segment.

#### **Industrial Materials**

In the Industrial Materials segment, we mainly offer proprietary technologies that enable to create added value on the surfaces of various materials. IMD, IML, and IME, which facilitate simultaneous in-mold decoration, design and function adding of plastic products, are extensively adopted in mobility components and home appliances 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 sustainable materials for beverages and foods on a global basis.

During the nine months ended September 30, 2022, net sales grew compared to the same period of the previous year thanks to the firm demand for metallized paper of sustainable materials and for decorations. Operating profit increased from the same period of the previous year due to the firm product demand and repricing of some products despite impacts on profitability from soaring raw materials and energy prices as well as soaring labor costs.

As a result, segment sales for the nine months ended September 30, 2022 were ¥54,947 million (an increase of 24.0% as compared to the same period of the previous year). Segment profit (operating profit) was ¥4,529 million (an increase of 13.8% as compared to the same period of the previous year).

#### Devices

In the Devices segment, we produce components and module products that pursue precision and functionality. Our main products, film-based Touch Sensors are widely adopted mainly in tablets, smartphones, portable game players, industrial equipment (logistics related), mobility components, etc. in global markets. In addition, we offer gas sensors that can detect gas conditions, along with other products.

During the nine months ended September 30, 2022, product demand for industrial equipment and gas sensors, etc. remained firm. Meanwhile, product demand for smartphones declined, and demand for some products also weakened due to the impact of constraints on supply such as shortage of semiconductors, which resulted in year-on-year decreases in net sales and operating profit.

As a result, segment sales for the nine months ended September 30, 2022 were ¥57,235 million (a decrease of 26.7% as compared to the same period of the previous year). Segment profit (operating profit) was ¥6,594 million (a decrease of 48.0% as compared to the same period of the previous year).

#### Medical Technologies

The Medical Technologies segment is a business segment that offers high-quality and value-added products in medical devices and other related markets to contribute to healthy and affluent life. The segment currently provides contract design/development manufacturing services for major medical device manufacturers on a global basis with products such as surgical instruments for minimal invasive treatments and medical wearable sensors used for a wide range of conditions, primarily heart disease. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

During the nine months ended September 30, 2022, net sales grew compared to the same period of the previous year thanks to firm product demand under the active business environment of our main field of contract design/development manufacturing services as well as business media. Meanwhile, operating profit decreased from the same period of the previous year as soaring raw materials prices and soaring labor costs in the United States put pressure on profitability.

As a result, segment sales for the nine months ended September 30, 2022 were ¥23,481 million (an increase of 32.1% as compared to the same period of the previous year). Segment profit (operating profit) was ¥151 million (a decrease of 80.1% as compared to the same period of the previous year).

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

### 1) Assets, liabilities and equity

Total assets at the end of the third quarter ended September 30, 2022 increased by ¥30,006 million from the end of the previous year (the fiscal year ended December 31, 2021) to ¥239,281 million.

Current assets increased by ¥22,497 million from the end of the previous year to ¥126,044 million. This was mainly because of a ¥10,197 million increase of cash and cash equivalents, a ¥1,960 million increase of trade and other receivables, and an

¥8,542 million increase of inventories.

Non-current assets increased by ¥7,509 million from the end of the previous year to ¥113,237 million. This was mainly because a ¥2,135 million increase of property, plant and equipment, a ¥4,328 million increase of goodwill due to the impact of foreign exchange conversion, and a ¥1,389 million increase of intangible assets outweighed a ¥1,046 million decrease of other financial assets mainly due to a change in fair value of financial assets measured at fair value through other comprehensive income.

Total liabilities at the end of the third quarter ended September 30, 2022 increased by ¥11,641 million from the end of the previous year to ¥122,652 million.

Current liabilities increased by ¥5,428 million from the end of the previous year to ¥58,002 million. This was mainly because a ¥3,766 million increase of trade and other payables and a ¥2,642 million increase of borrowings outweighed a ¥1,406 million decrease of income taxes payable.

Non-current liabilities increased by ¥6,212 million from the end of the previous year to ¥64,649 million. This was mainly because of a ¥6,474 million increase of bonds and borrowings.

Total equity at the end of the third quarter ended September 30, 2022 increased by ¥18,365 million from the end of the previous year to ¥116,629 million. This was mainly because of a ¥9,825 million increase of retained earnings due to the recording of profit attributable to owners of parent and an ¥8,440 million increase of other components of equity due to the impact of foreign exchange conversion.

## 2) Cash flows

The balance of cash and cash equivalents (the “funds”) on a consolidated basis at the end of the nine months ended September 30, 2022 was ¥52,528 million, an increase of ¥10,197 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the nine months ended September 30, 2022.

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

Funds provided by operating activities amounted to ¥7,902 million (a decrease of 56.2% as compared to the same period of the previous year). This was mainly because there were ¥13,949 million of profit before tax, ¥7,062 million of depreciation and amortization, and ¥1,326 million of decrease in trade and other receivables, while there were ¥5,485 million of increase in inventories and ¥4,583 million of income taxes paid.

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

Funds used in investing activities amounted to ¥5,112 million (an increase of 19.9% as compared to the same period of the previous year). This was mainly because of ¥4,214 million of purchase of property, plant and equipment.

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

Funds provided by financing activities amounted to ¥2,558 million (¥1,860 million used in the same period of the previous year). This was mainly because there were ¥2,464 million of proceeds from short-term borrowings and ¥5,000 million of proceeds from long-term borrowings, while there were ¥1,445 million of repayments of lease liabilities, ¥844 million of repayments of long-term borrowings, and ¥1,986 million of dividends paid to owners of parent.

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

For the consolidated financial forecasts for the fiscal year ending December 31, 2022, as a result of reviewing the operating results for the nine months ended September 30, 2022 and the latest demand trends and the foreign exchange market, the operating results forecast announced on August 8, 2022 have been revised. For details, please see the “Notice of Revision to the Business Forecast for FY2022 and Revision to Dividend Forecast for FY2022” announced today (November 10, 2022).



**2. Condensed Consolidated Financial Statements and Principal Notes**  
**(1) Condensed consolidated statements of financial position**

(Million yen)

	As of December 31, 2021	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and cash equivalents	42,330	52,528
Trade and other receivables	30,233	32,193
Inventories	27,072	35,614
Other financial assets	145	251
Other current assets	3,764	5,455
Total current assets	103,546	126,044
Non-current assets		
Property, plant and equipment	42,799	44,934
Goodwill	20,186	24,515
Intangible assets	13,884	15,273
Right-of-use assets	8,820	9,402
Investments accounted for using equity method	533	849
Other financial assets	17,334	16,288
Retirement benefit asset	353	336
Deferred tax assets	1,496	1,346
Other non-current assets	318	291
Total non-current assets	105,728	113,237
Total assets	209,274	239,281

(Million yen)

	As of December 31, 2021	As of September 30, 2022
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	36,106	39,872
Borrowings	6,570	9,213
Other financial liabilities	1,009	994
Lease liabilities	1,629	1,806
Income taxes payable, etc.	2,250	844
Provisions	64	167
Other current liabilities	4,943	5,104
<b>Total current liabilities</b>	<b>52,573</b>	<b>58,002</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	33,315	39,789
Other financial liabilities	1,007	747
Lease liabilities	8,435	8,797
Retirement benefit liability	6,646	6,925
Provisions	52	57
Deferred tax liabilities	8,611	7,848
Other non-current liabilities	367	483
<b>Total non-current liabilities</b>	<b>58,436</b>	<b>64,649</b>
<b>Total liabilities</b>	<b>111,010</b>	<b>122,652</b>
<b>Equity</b>		
Share capital	12,119	12,119
Capital surplus	14,810	14,831
Retained earnings	65,445	75,271
Treasury shares	(1,929)	(1,839)
Other components of equity	7,830	16,271
<b>Total equity attributable to owners of parent</b>	<b>98,278</b>	<b>116,654</b>
Non-controlling interests	(13)	(25)
<b>Total equity</b>	<b>98,264</b>	<b>116,629</b>
<b>Total liabilities and equity</b>	<b>209,274</b>	<b>239,281</b>

**(2) Condensed consolidated statements of profit or loss and comprehensive income**

## Condensed consolidated statements of profit or loss

(Million yen)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2022
Net sales	145,532	141,382
Cost of sales	(110,545)	(109,778)
Gross profit	34,986	31,604
Selling, general and administrative expenses	(19,782)	(22,590)
Other income	1,092	1,293
Other expenses	(805)	(584)
Share of profit (loss) of investments accounted for using equity method	(34)	(42)
Operating profit (loss)	15,457	9,680
Finance income	2,224	4,949
Finance costs	(764)	(680)
Profit (loss) before tax	16,918	13,949
Income tax expense	(2,400)	(2,143)
Profit (loss)	14,517	11,806
Profit (loss) attributable to		
Owners of parent	14,531	11,818
Non-controlling interests	(14)	(11)
Profit (loss)	14,517	11,806
Earnings (loss) per share attributable to owners of parent		
Basic earnings (loss) per share (Yen)	291.68	237.14
Diluted earnings (loss) per share (Yen)	290.22	—

Condensed consolidated statements of comprehensive income

(Million yen)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2022
Profit	14,517	11,806
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	(818)	(758)
Total of items that will not be reclassified to profit or loss	(818)	(758)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	2,460	8,992
Share of other comprehensive income of investments accounted for using equity method	(6)	207
Total of items that may be reclassified to profit or loss	2,453	9,199
Total other comprehensive income	1,635	8,440
Total comprehensive income	16,152	20,247
Comprehensive income attributable to:		
Owners of parent	16,167	20,259
Non-controlling interests	(14)	(11)
Total comprehensive income	16,152	20,247

### (3) Condensed consolidated statements of changes in equity

(Million yen)

	Equity attributable to owners of parent									
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity			Total equity attributable to owners of parent	Non-controlling interests	Total equity
					Net change in fair value of financial assets measured through other comprehensive income	Exchange differences on translation of foreign operations	Total other components of equity			
Balance at January 1, 2021	12,119	14,856	51,811	(1,720)	8,416	(3,557)	4,859	81,926	(2)	81,924
Profit (loss)	–	–	14,531	–	–	–	–	14,531	(14)	14,517
Other comprehensive income	–	–	–	–	(818)	2,454	1,635	1,635	(0)	1,635
Total comprehensive income	–	–	14,531	–	(818)	2,454	1,635	16,167	(14)	16,152
Purchase of treasury shares	–	–	–	(420)	–	–	–	(420)	–	(420)
Disposal of treasury shares	–	(77)	–	180	–	–	–	102	–	102
Dividends of surplus	–	–	(1,496)	–	–	–	–	(1,496)	–	(1,496)
Share-based payment transactions	–	32	–	–	–	–	–	32	–	32
Transfer from other components of equity to retained earnings	–	–	(79)	–	79	–	79	–	–	–
Total transactions with owners, etc.	–	(45)	(1,576)	(239)	79	–	79	(1,782)	–	(1,782)
Balance at September 30, 2021	12,119	14,811	64,767	(1,960)	7,677	(1,103)	6,574	96,311	(16)	96,294
Balance at January 1, 2022	12,119	14,810	65,445	(1,929)	7,903	(73)	7,830	98,278	(13)	98,264
Profit (loss)	–	–	11,818	–	–	–	–	11,818	(11)	11,806
Other comprehensive income	–	–	–	–	(758)	9,199	8,440	8,440	–	8,440
Total comprehensive income	–	–	11,818	–	(758)	9,199	8,440	20,259	(11)	20,247
Purchase of treasury shares	–	–	–	(0)	–	–	–	(0)	–	(0)
Disposal of treasury shares	–	(23)	–	89	–	–	–	66	–	66
Dividends of surplus	–	–	(1,993)	–	–	–	–	(1,993)	–	(1,993)
Share-based payment transactions	–	44	–	–	–	–	–	44	–	44
Transfer from other components of equity to retained earnings	–	–	–	–	–	–	–	–	–	–
Total transactions with owners, etc.	–	20	(1,993)	89	–	–	–	(1,882)	–	(1,882)
Balance at September 30, 2022	12,119	14,831	75,271	(1,839)	7,145	9,125	16,271	116,654	(25)	116,629

**(4) Condensed consolidated statements of cash flows**

(Million yen)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2022
Cash flows from operating activities		
Profit (loss) before tax	16,918	13,949
Depreciation and amortization	6,879	7,062
Impairment losses	58	–
Loss (gain) on sale and retirement of fixed assets	(88)	60
Share of loss (profit) of investments accounted for using equity method	34	42
Finance income	(2,224)	(4,949)
Finance costs	764	680
Decrease (increase) in trade and other receivables	9,090	1,326
Decrease (increase) in inventories	(1,598)	(5,485)
Increase (decrease) in trade and other payables	(8,420)	807
Increase (decrease) in provisions	12	101
Increase (decrease) in retirement benefit asset or liability	235	135
Other	330	(1,100)
Subtotal	21,990	12,631
Interest received	23	43
Dividends received	271	282
Interest paid	(630)	(562)
Income taxes paid	(3,651)	(4,583)
Income taxes refund	43	91
Net cash provided by (used in) operating activities	18,047	7,902
Cash flows from investing activities		
Payments into time deposits	–	(136)
Proceeds from withdrawal of time deposits	109	–
Purchase of property, plant and equipment	(4,356)	(4,214)
Payments for retirement of property, plant and equipment	(36)	(52)
Proceeds from sale of property, plant and equipment	619	31
Purchase of intangible assets	(614)	(432)
Purchase of investment securities	(307)	(10)
Proceeds from sale of investment securities	426	84
Purchase of shares of subsidiaries and affiliates	–	(151)
Other	(103)	(231)
Net cash provided by (used in) investing activities	(4,263)	(5,112)

(Million yen)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2022
Cash flows from financing activities		
Proceeds from short-term borrowings	383	2,464
Repayments of short-term borrowings	(8,013)	(695)
Repayments of lease liabilities	(1,404)	(1,445)
Proceeds from long-term borrowings	6,696	5,000
Repayments of long-term borrowings	(4,813)	(844)
Proceeds from issuance of bonds	9,945	–
Redemption of bonds	(2,840)	–
Purchase of treasury shares	(420)	(0)
Proceeds from sale of treasury shares	93	66
Dividends paid to owners of parent	(1,490)	(1,986)
Other	3	–
Net cash provided by (used in) financing activities	(1,860)	2,558
Effect of exchange rate changes on cash and cash equivalents	2,165	4,849
Net increase (decrease) in cash and cash equivalents	14,088	10,197
Cash and cash equivalents at beginning of period	25,067	42,330
Cash and cash equivalents at end of period	39,155	52,528

## (5) Notes to condensed consolidated financial statements

(Notes to going concern assumptions)

Not applicable

(Segment information)

### 1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the board of directors is being performed in order to decide the allocation of management resources and to review business results.

The Group sets up divisions by product or service. Each division draws up a plan for comprehensive strategies in Japan and overseas for the products and services it handles, and thereupon develops its business activities.

Accordingly, the Group consists of segments by product and service based on divisions. The three reportable segments are the Industrial Materials segment, Devices segment, and Medical Technologies segment.

The Industrial Materials segment manufactures and sells decorative films, molds, molded plastic products, and metallized papers. The Devices segment manufactures and sells film-based Touch Sensors, gas sensors and others. The Medical Technologies segment manufactures and sells consumable medical products such as medical electrodes, medical chart paper and others and also provides contract design/development manufacturing services for major medical device manufacturers.

### 2. Methods of measurement for the amounts of sales and profit (loss) for each reportable segment

The accounting methods for the reportable segments are the same as those used in preparing the consolidated financial statements. Segment profit is based on operating profit, and inter-segment sales is based on current market prices.

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

The nine months ended September 30, 2021 (January 1, 2021 to September 30, 2021)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	44,321	78,055	17,776	140,153	5,378	145,532	–	145,532
Inter-segment sales	632	11	0	644	964	1,609	(1,609)	–
Total	44,954	78,066	17,776	140,798	6,343	147,141	(1,609)	145,532
Segment profit (loss)	3,981	12,686	758	17,426	(854)	16,571	(1,114)	15,457
Finance income	–	–	–	–	–	–	–	2,224
Finance costs	–	–	–	–	–	–	–	(764)
Profit (loss) before tax	–	–	–	–	–	–	–	16,918

(Notes) 1. The "Other" category consists of a business segment not included in the reportable segments and includes the Information and Communication, the prescription pharmaceutical manufacturing business, etc.

2. The negative ¥1,114 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, foreign exchange gain (loss), etc. Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.

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



The nine months ended September 30, 2022 (January 1, 2022 to September 30, 2022)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	54,947	57,235	23,481	135,663	5,719	141,382	–	141,382
Inter-segment sales	145	7	0	153	744	897	(897)	–
Total	55,092	57,242	23,481	135,816	6,463	142,280	(897)	141,382
Segment profit (loss)	4,529	6,594	151	11,275	(615)	10,660	(979)	9,680
Finance income	–	–	–	–	–	–	–	4,949
Finance costs	–	–	–	–	–	–	–	(680)
Profit (loss) before tax	–	–	–	–	–	–	–	13,949

- (Notes)
1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication, the prescription pharmaceutical manufacturing business, etc.
  2. The negative ¥979 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, foreign exchange gain (loss), etc. Corporate expenses mainly consist of general and administrative expenses not attributable to any reportable segment.
  3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the condensed consolidated statements of profit or loss.
  4. The Company finalized the provisional accounting treatment pertaining to business combinations and changed the accounting policy for configuration or customization costs in cloud computing agreements in the fiscal year ended December 31, 2021, and reflected the details of the finalization of the provisional accounting treatment and retrospective adjustments due to the change in the accounting policy on figures related to the corresponding period of the previous year.

#### 4. Note with regard to changes to reportable segment

From the first quarter ended March 31, 2022, in line with the partial revision of performance management structure within the Group, segment categories for certain consolidated subsidiaries previously recorded in the Devices segment and the Other category were changed to the Other category and the Industrial Materials segment, respectively.

Therefore, segment information for the nine months ended September 30, 2021 is stated according to the category following the change.