

**Summary of Consolidated Financial Results [IFRS]
for the First Six Months of the Fiscal Year Ending March 31, 2021**

November 5, 2020

Listed company name : Sysmex Corporation
Code : 6869
Listed stock exchanges : Tokyo Stock Exchange
URL : www.sysmex.co.jp/en
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Scheduled date for filing of quarterly report : November 10, 2020
Scheduled date for dividend payment : December 1, 2020
Preparation of supplementary material for quarterly earnings : Yes
Holding of earnings announcement : Yes

(Unit: Millions of Yen)

1. Results for the First Six Months of the Fiscal Year Ending March 31, 2021

(1) Operating results

(% changes as compared with the corresponding period of the previous fiscal year)

	Net Sales		Operating profit		Profit before tax		Profit	
Six months ended Sep. 30, 2020	132,082	(7.6)%	20,004	(28.0)%	18,090	(29.7)%	12,578	(28.0)%
Six months ended Sep. 30, 2019	142,990	5.0%	27,803	(2.5)%	25,075	(5.1)%	17,458	(10.0)%

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Six months ended Sep. 30, 2020	12,653	(28.1)%	14,311	39.7%	60.59	60.53
Six months ended Sep. 30, 2019	17,593	(9.7)%	10,241	(50.1)%	84.29	84.20

(2) Financial condition

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent to total assets
As of Sep. 30, 2020	380,817	285,982	285,247	74.9%
As of Mar. 31, 2020	389,291	278,347	277,683	71.3%

2. Dividend

	Dividend per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)
Year ended Mar. 31, 2020	—	36.00	—	36.00	72.00
Year ending Mar. 31, 2021	—	36.00			
Year ending Mar. 31, 2021 (Forecast)			—	36.00	72.00

Note: Revision of dividends forecast for this period: No

3. Financial Forecast for the Year Ending March 31, 2021

(% changes as compared with the corresponding period of the previous fiscal year)

	Net Sales		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share (Yen)
Year ending Mar. 31, 2021	310,000	2.7%	48,500	(12.3)%	44,100	(10.8)%	30,800	(11.7)%	147.46

Note: Revision of business forecast for this period: Yes

4. Other Information

- (1) Changes in significant consolidated subsidiaries (which resulted in changes in scope of consolidation):
No
- (2) Changes in accounting policies and accounting estimates
 - 1) Changes in accounting policies required by IFRS: No
 - 2) Other changes in accounting policies: No
 - 3) Changes in accounting estimates: No
- (3) Number of outstanding stock (common stock)
 - 1) Number of outstanding stock at the end of each fiscal period (including treasury stock):
209,344,432 shares as of Sep. 30, 2020; 209,266,432 shares as of Mar. 31, 2020
 - 2) Number of treasury stock at the end of each fiscal period:
446,856 shares as of Sep. 30, 2020; 446,680 shares as of Mar. 31, 2020
 - 3) Average number of outstanding stock for each period (cumulative):
208,859,643 shares for the six months ended Sep. 30, 2020
208,731,410 shares for the six months ended Sep. 30, 2019

Note: Quarterly summaries of financial results are excluded from quarterly reviews.

* Explanation regarding the appropriate use of financial forecast and other information

1. The forecasts and future projections contained herein have been prepared on the basis of rational decisions given the information available as of the date of announcement of this document. These forecasts do not represent a commitment by the Company, and actual performance may differ substantially from forecasts for a variety of reasons. Please refer to “3) Consolidated financial forecast” within “1. Qualitative information on quarterly financial results” on page 5 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.
2. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Thursday, November 5, 2020.

Content of Supplementary Materials

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1. Qualitative information on quarterly financial results

1) Operating performance analysis

Future-related information contained in the text below is based on the judgement as of the end of the fiscal period under review.

During the first six months of the fiscal year ending March 31, 2021, economic activity in Japan was down substantially as the result of the COVID-19 pandemic. Although this activity gradually picked up in Japan after the state of emergency declaration was lifted, infections persist, making the outlook highly uncertain. Except in certain regions, the pandemic has continued to spread overseas. Although economic activity has resumed, we believe it will take some time for the economy to return to pre-pandemic levels.

On the healthcare front, Japan's medical and healthcare field is expected to remain robust due to an aging society and increasingly diverse health and medical needs. Looking overseas, the populations of developed countries are aging, while economic growth in emerging markets is causing healthcare demand to increase and prompting higher levels of healthcare quality and service enhancements. These trends are promoting efficient healthcare, with structural changes brought about by artificial intelligence, information and communications technology, and other breaking technologies. However, with the number of COVID-19 cases rising globally, considerations about healthcare systems and public health capable of responding to pandemics like we are currently experiencing are exerting pressure and are likely to cause a major transformation of the healthcare environment itself.

Restrictions on outings and other activities in individual countries led to a decline in demand, including a drop in the number of tests conducted at medical institutions. Although the easing of restrictions on movement did cause demand to resurge somewhat, the pandemic persists. If this situation is prolonged, performance could be affected further.

Against this backdrop, Sysmex applied for manufacturing and marketing approval of a reagent for detecting antigens of SARS-CoV-2, the coronavirus that causes COVID-19. This reagent is used in conjunction with our HISCL™-5000/HISCL™-800 automated immunoassay systems, and detects SARS-CoV-2 antigens present in nasopharyngeal swabs. The reagent, used in conjunction with the HISCL™-5000/HISCL™-800, provides highly sensitive test results. This combination delivers rapid test results in 17 minutes and augments testing efficiency by processing 200 tests per hour (with the HISCL™-5000). Sysmex remains committed to the establishment of diagnosis/treatment methods for COVID-19 by way of diverse testing, including PCR tests, antigen tests, antibody tests and cytokine tests, as well as hematology and coagulation tests.

Meanwhile, health insurance coverage went into effect for *RAS* gene mutation testing of blood for colorectal cancer using the *RAS* gene¹ mutation testing kit (OncoBEAM™² RAS CRC kit). This testing is used in the selection of treatment methods using anticancer agent for patients for which physical biopsies are difficult. This product is used to test samples of tumor-derived DNA suspended in the blood of colorectal cancer patients, detecting *RAS* gene mutations to a high degree of sensitivity. As the testing uses blood samples, it places less of physical and mental burden on the patient than biopsies, allowing for simple testing. Health insurance coverage will allow more patients to receive this testing to help doctors determine appropriate treatment methods.

In August 2020, the hinotori™ Surgical Robot System became the first Japanese-made robotic assisted surgery system to receive manufacturing and marketing approval. This system, which was also covered under national health insurance in September 2020, was developed by Mediaroid Corporation. Mediaroid was jointly established by Kawasaki Heavy Industries, Ltd., and Sysmex. On this system, arms of the operation unit used in surgery are designed to reduce interference between the arms and the assisting doctor, which is expected to make operations smoother. As the general agent for Mediaroid products, Sysmex has exclusive global sales and service rights. To begin, we are working toward an early introduction targeting the Japanese urology market.

1 *RAS* gene:

As the likelihood is high that patients with *RAS* gene (*KRAS/NRAS* gene) mutations will not benefit (prolongation of life, tumor reduction) from the administration of anti-EGFR drugs, companion diagnostics may be performed to treat the gene mutation first.

2 OncoBEAM™:

The name of Sysmex's technology to detect minute gene mutations circulating in the blood with a high degree of sensitivity using BEAMing technology, which was developed at Johns Hopkins University. (BEAM is an acronym for "bead, emulsion, amplification and magnetics." This gene analysis method combines digital PCR (ultrahigh-sensitivity PCR) and flow cytometry technologies for highly sensitive analysis of genetic mutations.)

Net sales by destination

	Six months ended Sep. 30, 2019		Six months ended Sep. 30, 2020		YoY (Previous period = 100)
	Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan	22,691	15.9	21,275	16.1	93.8
Americas	32,788	22.9	29,366	22.2	89.6
EMEA	37,580	26.3	36,885	27.9	98.2
China	37,413	26.2	33,642	25.5	89.9
Asia Pacific	12,516	8.7	10,913	8.3	87.2
Overseas subtotal	120,298	84.1	110,807	83.9	92.1
Total	142,990	100.0	132,082	100.0	92.4

In Japan, sales of reagents and services increased in the life science field. However, instrument sales were down, mainly in the hematology field and for large orders in other fields, due primarily to the impact of COVID-19. Also, sales of reagents were down in the urinalysis and immunochemistry fields. As a result, sales in Japan fell 6.2% year on year, to ¥21,275 million.

Overseas, instrument sales increased in the urinalysis, hemostasis and immunochemistry fields. Mainly because of the COVID-19 pandemic, however, reagent sales were down, centered on the hematology, urinalysis and immunochemistry fields. Consequently, overseas sales decreased 7.9% year on year, to ¥110,807 million. The overseas sales ratio fell 0.2 percentage point, to 83.9%.

Selling, general and administrative expenses declined 4.9% year on year, to ¥38,078 million, largely because of activities at all destinations being restricted in the face of the COVID-19 pandemic.

As a result, during the first six months of the fiscal year ending March 31, 2021, the Group recorded consolidated net sales of ¥132,082 million, down 7.6% year on year. Operating profit declined 28.0%, to ¥20,004 million; profit before tax decreased 27.9%, to ¥18,090 million; and profit attributable to owners of the parent fell 28.1%, to ¥12,653 million.

Performance by segment

(1) Japan

In Japan, sales of reagents and services increased in the life science field. However, instrument sales were down, mainly in the hematology field and for large orders in other fields, due primarily to the impact of COVID-19. Reagent sales also decreased in the urinalysis and immunochemistry fields. As a result, sales in Japan fell 6.3% year on year, to ¥23,241 million.

On the profit front, although SG&A and R&D expenses declined, lower sales and a deteriorating cost of sales ratio caused gross profit to worsen. Accordingly, segment profit (operating profit) fell 27.7%, to ¥12,951 million.

(2) Americas

Sales were down in North America. Although instrument sales rose in the hemostasis field, instrument and reagent sales declined in the hematology field, mainly because of the COVID-19 pandemic. In Central and South America, sales were down despite higher instrument sales in the hematology field, mainly as the result of lower reagent sales in the hematology field. As a result, sales in the Americas came to ¥27,200 million, down 10.1% year on year.

Segment profit (operating profit) fell 60.5% year on year, to ¥375 million, despite lower SG&A expenses, as the result of lower gross profit stemming from lower sales and a deteriorating cost of sales ratio

(3) EMEA

Sales in the EMEA region declined 2.5% year on year, to ¥37,196 million. Instrument sales rose in the hematology and life science fields, but reagent sales decreased in the hematology, urinalysis and life science fields, mainly due to the spread of the COVID-19 pandemic.

Segment profit (operating profit) fell 4.9%, to ¥3,624 million, despite lower SG&A expenses, as gross profit fell as the result of lower sales and a deteriorating cost of sales ratio.

(4) China

In China, sales fell 10.1% year on year, to ¥33,591 million. Instrument sales increased in the hematology, urinalysis and immunochemistry fields, and the hemostasis field saw higher reagent sales. Mainly due to the impact of COVID-19, however, reagent sales were down in the hematology, urinalysis and immunochemistry fields.

Segment profit (operating profit) decreased 70.8% year on year, to ¥1,210 million, despite lower SG&A expenses, as gross profit declined due to lower sales and a worsening cost of sales ratio.

(5) Asia Pacific

Mainly because of COVID-19, sales of reagents decreased in the hematology and urinalysis fields. As a result, sales in the Asia Pacific region decreased 12.5% year on year, to ¥10,852 million.

Segment profit (operating profit) fell 41.3% year on year, to ¥944 million. SG&A expenses fell, but lower sales and a deteriorating cost of sales ratio caused gross profit to fall.

2) Financial conditions analysis

(1) Financial conditions

As of September 30, 2020, total assets amounted to ¥380,817 million, down ¥8,474 million from March 31, 2020. As main factors, trade and other receivables (current assets) fell ¥7,862 million, and property, plant and equipment were down ¥2,509 million, while intangible assets rose ¥2,390 million.

Meanwhile, total liabilities as of September 30, 2020 were ¥94,835 million, down ¥16,109 million. Principal decreases included trade and other payables, which were down ¥10,389 million; accrued expenses, down ¥1,669 million; accrued bonuses, down ¥1,531 million; and income taxes payable, down ¥1,524 million.

Total equity came to ¥285,982 million, up ¥7,634 million from March 31, 2020. Among principal reasons, retained earnings rose ¥5,136 million, while other components of equity increased ¥1,732 million. Equity attributable to owners of the parent to total assets rose 3.6 percentage points, from 71.3% on March 31, 2020 to 74.9% on September 30, 2020.

(2) Cash flows

As of September 30, 2020, cash and cash equivalents amounted to ¥55,213 million, down ¥1,378 million from March 31, 2020.

Cash flows from various activities during the first six months of the fiscal year are described in more detail below.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥23,820 million (down ¥3,088 million). As principal factors, profit before tax provided ¥18,090 million (down ¥6,984 million), depreciation and amortization provided ¥12,537 million (up ¥1,027 million), a decrease in trade receivables provided ¥8,469 million (up ¥4,805 million), an increase in inventories used ¥1,586 million (down ¥4,264 million), a decrease in trade payables used ¥6,441 million (up ¥5,373 million), and a decrease in consumption taxes receivable provided ¥3,014 million (up ¥956 million).

(Cash flows from investing activities)

Net cash used in investing activities was ¥15,104 million (up ¥6,046 million). Among major factors, purchases of property plant and equipment used ¥4,065 million (down ¥3,393 million), purchases of intangible assets used ¥8,387 million (up ¥2,273 million), payments resulting in an

increase in long-term prepaid expenses used ¥2,057 million (up ¥1,109 million), and proceeds from withdrawal of time deposits provided ¥579 million (down ¥6,642 million).

(Cash flows from financing activities)

Net cash used in financing activities was ¥10,494 million (up ¥298 million). This was mainly due to dividends paid of ¥7,517 million (up ¥4 million) and repayment of lease liabilities, which used ¥3,364 million (up ¥563 million).

3) Consolidated financial forecast

For the Company's consolidated financial forecast for the full fiscal year, please refer to the announcement regarding financial forecast for the fiscal year ending March 31, 2021, announced today (November 5, 2020).

2. Condensed quarterly consolidated financial statements and notes

1) Condensed quarterly consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Assets		
Current assets		
Cash and cash equivalents	56,592	55,213
Trade and other receivables	85,650	77,787
Inventories	48,303	50,527
Other short-term financial assets	421	860
Income taxes receivable	546	743
Other current assets	14,191	11,206
Total current assets	<u>205,704</u>	<u>196,338</u>
Non-current assets		
Property, plant and equipment	96,839	94,330
Goodwill	11,271	11,525
Intangible assets	39,543	41,933
Investments accounted for using the equity method	2,945	1,965
Trade and other receivables	12,845	13,014
Other long-term financial assets	6,192	6,639
Asset for retirement benefits	897	905
Other non-current assets	5,810	7,366
Deferred tax assets	7,240	6,797
Total non-current assets	<u>183,586</u>	<u>184,478</u>
Total assets	<u>389,291</u>	<u>380,817</u>

(Unit: Millions of yen)

	As of March 31, 2020	As of September 30, 2020
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	33,917	23,527
Lease liabilities	5,701	5,392
Other current financial liabilities	552	790
Income taxes payable	5,673	4,149
Provisions	751	763
Contract liabilities	12,001	11,624
Accrued expenses	12,508	10,838
Accrued bonuses	7,591	6,059
Other current liabilities	5,448	5,396
Total current liabilities	84,145	68,543
Non-current liabilities		
Lease liabilities	16,935	16,244
Other non-current financial liabilities	269	19
Liability for retirement benefits	925	980
Provisions	255	255
Other non-current liabilities	2,061	2,311
Deferred tax liabilities	6,351	6,480
Total non-current liabilities	26,798	26,291
Total liabilities	110,944	94,835
Equity		
Equity attributable to owners of the parent		
Capital stock	12,877	13,033
Capital surplus	18,487	19,028
Retained earnings	261,321	266,458
Treasury stock	(306)	(307)
Other components of equity	(14,697)	(12,964)
Total equity attributable to owners of the parent	277,683	285,247
Non-controlling interests	663	735
Total equity	278,347	285,982
Total liabilities and equity	389,291	380,817

2) Condensed quarterly consolidated statement of income

(Unit: Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Net sales	142,990	132,082
Cost of sales	65,454	64,792
Gross profit	77,535	67,289
Selling, general and administrative expenses	40,031	38,078
Research and development expenses	10,460	9,748
Other operating income	914	723
Other operating expenses	154	181
Operating profit	27,803	20,004
Financial income	330	166
Financial expenses	493	410
Share of profit (loss) of associates accounted for using the equity method	(893)	(968)
Foreign exchange gain (loss)	(1,671)	(701)
Profit before tax	25,075	18,090
Income taxes expenses	7,617	5,512
Profit	17,458	12,578
Profit attributable to		
Owners of the parent	17,593	12,653
Non-controlling interests	(135)	(75)
Profit	17,458	12,578
		(Unit: Yen)
Earnings per share		
Basic	84.29	60.59
Diluted	84.20	60.53

3) Condensed quarterly consolidated statement of other comprehensive income

(Unit: Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	17,458	12,578
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	(115)	219
Total	(115)	219
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(7,100)	1,523
Share of other comprehensive income of investments accounted for using the equity method	(1)	(10)
Total	(7,101)	1,513
Total other comprehensive income	(7,217)	1,732
Comprehensive income	10,241	14,311
Comprehensive income attributable to		
Owners of the parent	10,376	14,386
Non-controlling interests	(135)	(75)
Comprehensive income	10,241	14,311

4) Condensed quarterly consolidated statement of changes in equity
Six months ended September 30, 2019

(Unit: Millions of yen)

	Equity attributable to owners of the parent					Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity			
As of April 1, 2019	12,654	17,876	241,445	(302)	(7,225)	264,448	733	265,182
Profit	—	—	17,593	—	—	17,593	(135)	17,458
Other comprehensive income	—	—	—	—	(7,217)	(7,217)	0	(7,217)
Comprehensive income	—	—	17,593	—	(7,217)	10,376	(135)	10,241
Exercise of warrants	77	71	—	—	—	149	—	149
Share-based payment transactions	—	—	—	—	—	—	—	—
Cash dividends	—	—	(7,513)	—	—	(7,513)	—	(7,513)
Purchase of treasury stock	—	—	—	(2)	—	(2)	—	(2)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Establishment of subsidiary with non-controlling interests	—	—	—	—	—	—	—	—
Change in non-controlling interests due to capital increase of subsidiaries	—	—	—	—	—	—	—	—
Total transactions with the owners	77	71	(7,513)	(2)	—	(7,366)	—	(7,366)
As of September 30, 2019	12,732	17,948	251,525	(304)	(14,442)	267,459	598	268,057

Six months ended September 30, 2020

(Unit: Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
As of April 1, 2020	12,877	18,487	261,321	(306)	(14,697)	277,683	663	278,347
Profit	—	—	12,653	—	—	12,653	(75)	12,578
Other comprehensive income	—	—	—	—	1,732	1,732	0	1,732
Comprehensive income	—	—	12,653	—	1,732	14,386	(75)	14,311
Exercise of warrants	155	87	—	—	—	242	—	242
Share-based payment transactions	—	453	—	—	—	453	—	453
Cash dividends	—	—	(7,517)	—	—	(7,517)	—	(7,517)
Purchase of treasury stock	—	—	—	(1)	—	(1)	—	(1)
Disposal of treasury stock	—	0	—	0	—	0	—	0
Establishment of subsidiary with non-controlling interests	—	—	—	—	—	—	49	49
Change in non-controlling interests due to capital increase of subsidiaries	—	—	—	—	—	—	98	98
Total transactions with the owners	155	540	(7,517)	(1)	—	(6,823)	147	(6,676)
As of September 30, 2020	13,033	19,028	266,458	(307)	(12,964)	285,247	735	285,982

5) Condensed quarterly consolidated statement of cash flows

(Unit: Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Cash flows from operating activities		
Profit before tax	25,075	18,090
Depreciation and amortization	11,510	12,537
Decrease (increase) in trade receivable	3,664	8,469
Decrease (increase) in inventories	(5,851)	(1,586)
Increase (decrease) in trade payable	(1,068)	(6,441)
Decrease/increase in consumption taxes receivable/payable	2,058	3,014
Increase (decrease) in contract liabilities	78	(314)
Increase (decrease) in accrued bonuses	(1,719)	(1,545)
Other – net	872	(1,462)
Subtotal	34,619	30,762
Interest and dividend received	118	116
Interest paid	(359)	(374)
Income taxes paid	(7,468)	(6,683)
Net cash provided by (used in) operating activities	26,908	23,820
Cash flows from investing activities		
Purchases of property, plant and equipment	(7,458)	(4,065)
Purchases of intangible assets	(6,113)	(8,387)
Payments resulting in an increase in long-term prepaid expenses	(948)	(2,057)
Purchases of investments in equity instruments	(1,508)	–
Payments into time deposits	(428)	(1,141)
Proceeds from withdrawal of time deposits	7,221	579
Other – net	179	(32)
Net cash provided by (used in) investing activities	(9,057)	(15,104)
Cash flows from financing activities		
Dividends paid	(7,513)	(7,517)
Repayments of lease liabilities	(2,801)	(3,364)
Other – net	119	387
Net cash provided by (used in) financing activities	(10,195)	(10,494)
Effects of exchange rate changes on cash and cash equivalents	(1,732)	399
Net increase (decrease) in cash and cash equivalents	5,923	(1,378)
Cash and cash equivalents at the beginning of the term	51,062	56,592
Cash and cash equivalents at the end of the term	56,985	55,213

6) Notes to the condensed quarterly consolidated financial statements

1. Notes related to the going concern assumption

Not applicable

2. Segment information

1) Overview of reportable segments

The Group's reportable segments are the constituent business units of the Group for which separate financial data are available and that are examined on a regular basis for the purpose of enabling the Managing Board to allocate managerial resources and evaluate results of operations.

The Group is primarily engaged in the manufacture and sale of diagnostic instruments and reagents. These businesses are conducted in Japan by the Company, and in the Americas, EMEA, China and the Asia Pacific by regional headquarters established in those regions. These companies formulate overarching strategies tailored to regional characteristics and conduct business activities accordingly. Regional headquarters and other domestic and overseas subsidiaries are independent management units that handle production and sales for each region.

Accordingly, the Group has five reportable segments comprising geographical segments based on manufacturing and sales systems. These are "Japan," the "Americas," "EMEA," "China," and the "Asia Pacific."

2) Segment profit and operating results

Profit and operating results from continuing operations by reportable segment of the Group are as follows:

Intersegment sales are determined based on market prices or costs of goods manufactured.

Accounting policies of reporting segments are consistent with the Group's accounting policies indicated in the consolidated financial statements for the previous fiscal year.

Six months ended September 30, 2019

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	24,800	30,264	38,146	37,370	12,408	142,990	—	142,990
Intersegment sales	51,907	140	1,706	0	2	53,757	(53,757)	—
Total	76,708	30,405	39,852	37,370	12,410	196,747	(53,757)	142,990
Segment profit	17,907	951	3,812	4,146	1,610	28,427	(624)	27,803
Financial income	—	—	—	—	—	—	—	330
Financial expenses	—	—	—	—	—	—	—	493
Share of profit (loss) of associates accounted for using the equity method	—	—	—	—	—	—	—	(893)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(1,671)
Profit before tax	—	—	—	—	—	—	—	25,075
Income taxes expenses	—	—	—	—	—	—	—	7,617
Profit	—	—	—	—	—	—	—	17,458

Notes:

1. Segment profit adjustments of negative ¥624 million include negative ¥741 million for the unrealized gains on inventories and ¥150 million for the unrealized gains on non-current assets.
2. Segment profit is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.

Six months ended September 30, 2020

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	23,241	27,200	37,196	33,591	10,852	132,082	—	132,082
Intersegment sales	47,118	99	1,602	0	1	48,822	(48,822)	—
Total	70,359	27,300	38,798	33,591	10,853	180,904	(48,822)	132,082
Segment profit	12,951	375	3,624	1,210	944	19,106	898	20,004
Financial income	—	—	—	—	—	—	—	166
Financial expenses	—	—	—	—	—	—	—	410
Share of profit (loss) of associates accounted for using the equity method	—	—	—	—	—	—	—	(968)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(701)
Profit before tax	—	—	—	—	—	—	—	18,090
Income taxes expenses	—	—	—	—	—	—	—	5,512
Profit	—	—	—	—	—	—	—	12,578

Notes:

1. Segment profit adjustments of ¥898 million include ¥819 million for the unrealized gains on inventories and ¥168 million for the unrealized gains on non-current assets.
2. Segment profit is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.