

**Summary of Consolidated Financial Results [IFRS]
for the First Six Months of the Fiscal Year Ending March 31, 2022**

November 10, 2021

Listed company name : Sysmex Corporation
Code : 6869
Listed stock exchanges : Tokyo Stock Exchange
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Scheduled date for filing of quarterly report : November 12, 2021
Scheduled date for dividend payment : December 6, 2021
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, 2022

(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, 2021	168,753	27.8%	33,711	68.5%	32,088	77.4%	22,143	76.0%
Six months ended Sep. 30, 2020	132,082	(7.6)%	20,004	(28.0)%	18,090	(27.9)%	12,578	(28.0)%

	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, 2021	22,243	75.8%	23,048	61.0%	106.42	106.20
Six months ended Sep. 30, 2020	12,653	(28.1)%	14,311	39.7%	60.59	60.53

(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, 2021	444,194	324,722	324,052	73.0%
As of Mar. 31, 2021	427,475	308,669	307,898	72.0%

2. Dividend

	Dividend per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)
Year ended Mar. 31, 2021	—	36.00	—	36.00	72.00
Year ending Mar. 31, 2022	—	37.00			
Year ending Mar. 31, 2022 (Forecast)			—	37.00	74.00

Note: Revision of dividends forecast for this period: No

3. Financial Forecast for the Year Ending March 31, 2022

(% 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)
	Amount	% change	Amount	% change	Amount	% change	Amount	% change	Amount
Year ending Mar. 31, 2022	360,000	18.0%	66,000	27.4%	63,000	31.2%	44,000	32.8%	210.50

Note: Revision of financial 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):
209,485,632 shares as of Sep. 30, 2021; 209,443,232 shares as of Mar. 31, 2021
 - 2) Number of treasury stock at the end of each fiscal period:
447,055 shares as of Sep. 30, 2021; 446,876 shares as of Mar. 31, 2021
 - 3) Average number of outstanding stock for each period (cumulative):
209,014,581 shares for the six months ended Sep. 30, 2021
208,859,643 shares for the six months ended Sep. 30, 2020

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 4 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.
3. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, November 10, 2021.

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, 2022, the Japanese economy was affected by the COVID-19 pandemic. Despite progress with rolling out vaccines, social activity and personal consumption remained sluggish, due to reissuing the state of emergency and the priority preventative measures. Overseas, economic deregulation led to a gradual economic recovery, albeit with variations among countries and regions. Even so, the outlook remains uncertain due to the gradual shrinking of fiscal and monetary policies and the impact of the global shortage of semiconductors.

On the healthcare front, we are seeing major changes in the healthcare environment due to the COVID-19 pandemic, as well as an aging society and increasingly diverse health and medical needs. In Japan, expectations are mounting for new medical services to address the “new normal,” such as resolving the pressure on medical systems due to a rise in the number of infections, stable supplies of necessary supplies and a response to digitalization in the medical field. Looking overseas, aging populations in developed countries are driving demand for the moderation of medical systems. In emerging markets, healthcare demand is increasing, and demand is rising for higher levels of healthcare quality, service enhancements and preventive medicine. As a result, we are seeing rapid advances in the application of artificial intelligence, big data analysis and other leading-edge technologies, which are expected to provide further opportunities for growth.

Against this backdrop, Sysmex continued to expand its product portfolio in the hematology field. We launched a next-generation flagship model, XR-Series Automated Hematology Analyzer, and a compact three-part differential model, the XQ-Series Automated Hematology Analyzer in Japan. We will continue with a global sales rollout after receiving regulatory approval in individual countries. We aim to contribute optimization of laboratory operations according to regional characteristics and facilities' needs.

In the life science field, we formed a strategic alliance related to joint development and global business with QIAGEN N.V., which has extensive experience in the development of companion diagnostics*¹ in the field of oncology. By leveraging QIAGEN's experience in developing companion diagnostics, Sysmex expects to strengthen its global relationships with pharmaceutical companies. We will work toward the early development and clinical implementation of companion diagnostics.

“Genetic diagnosis and counseling for inherited retinal dystrophy (IRD)*² using a genetic testing system (tentatively named the IRD Panel Testing System), which Sysmex and the Kobe City Eye Hospital have been developing jointly, has received Advanced Medical Care B*³ approval. Going forward, we will commence this testing at the Kobe City Eye Hospital. In addition, we will increase the number of cooperating facilities for advance medical care that can perform this test, in the aim of increasing opportunities for patients to receive medical care.

As the global general distributor, Sysmex continued to market hinotori™ to medical institutions in Japan. (The hinotori™ Surgical Robot System is the first made-in-Japan robotic-assisted surgery system.) We are working with Mediaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industry, Ltd., to obtain regulatory approval overseas, and we will begin introducing the system in overseas markets, as well.

*1 Companion diagnostics:

Testing to predict the efficacy or risk of side effects of specific drugs before prescription.

*2 Inherited retinal dystrophy (IRD):

IRD is an inherited progressive disease thought to be caused by genetic mutations. The main symptoms are night blindness, narrowing of the visual field, and loss of vision, which can lead to blindness in some cases. Several diseases with similar symptoms are collectively referred to as inherited retinal dystrophy.

*3 Advanced medical care B:

Advanced medical care is new experimental medical technology whose effectiveness and safety have not yet been evaluated, and which has been designated by the Ministry of Health, Labor and Welfare as a medical technology to be evaluated for effectiveness and safety in order to determine whether it should be covered by insurance in the future. Within this category, Advanced medical care B may be conducted only at medical institutions that meet the facility criteria set for each medical technology.

Net sales by destination

	Six months ended Sep. 30, 2020		Six months ended Sep. 30, 2021		YoY (Previous period = 100)
	Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan	21,275	16.1	25,557	15.0	120.1
Americas	29,366	22.2	38,227	22.7	130.2
EMEA	36,885	27.9	49,238	29.2	133.5
China	33,642	25.5	42,145	25.0	125.3
Asia Pacific	10,913	8.3	13,585	8.1	124.5
Overseas subtotal	110,807	83.9	143,196	85.0	129.2
Total	132,082	100.0	168,753	100.0	127.8

In Japan, sales of urinalysis instruments rose, as did sales of hemostasis and immunochemistry reagents as well as instrument and reagents sales in the life science field related to COVID-19 testing. As a result, sales in Japan rose 20.1% year on year, to ¥25,557 million.

Overseas, testing demand recovered from the previous corresponding period, when demand was affected by COVID-19. Reagent sales rose as a result, mainly in the hematology and urinalysis fields. In addition, the impact of yen depreciation. Consequently, overseas sales increased 29.2% year on year, to ¥143,196 million. The overseas sales ratio rose 1.1 percentage point, to 85.0%.

Selling, general and administrative (SG&A) expenses expanded 15.7%, to ¥44,065 million, owing to a partial resumption of sales activities that had been constrained across all regions in the previous corresponding period.

As a result, during the first six months of the fiscal year ending March 31, 2022, the Group recorded consolidated net sales of ¥168,753 million, up 27.8% year on year. Operating profit rose 68.5%, to ¥33,711 million; profit before tax surged 77.4%, to ¥32,088 million, and profit attributable to owners of the parent expanded 75.8%, to ¥22,243 million.

Performance by segment

(1) Japan

In Japan, sales of urinalysis instruments rose, as did sales of hemostasis and immunochemistry reagents as well as instrument and reagents sales in the life science field related to COVID-19 testing. As a result, sales in Japan rose 19.2% year on year, to ¥27,715 million.

On the profit front, performance was affected by higher SG&A and R&D expenses, but gross profit increased due to higher sales and an improvement in the cost of sales ratio. Accordingly, segment profit (operating profit) rose 46.4%, to ¥18,957 million.

(2) Americas

In North America, sales of instruments, reagents and maintenance services increased due to a resurgence in testing demand in the hematology field and sales increase of instruments. Along with the alliance with Siemens Healthcare Diagnostics Inc., sales of instrument and reagents increased in the urinalysis field. As a result, sales in the region grew 31.2%, to ¥35,674 million.

Segment profit (operating profit) grew 372.4%, to ¥1,775 million. Although SG&A expenses increased, this performance was attributable to higher sales and gross profit, stemming from an improved cost of sales ratio.

(3) EMEA

Sales of instruments and reagents increased in the fields of hematology, urinalysis and hemostasis, due to a resurgence in testing demand and the acquisition of bids in Russia, Middle East and Eastern Europe. Sales of purchased antibody testing kits related to the COVID-19 pandemic also grew. As a result, sales were ¥49,753 million, up 33.8% year on year.

Segment profit (operating profit) grew 111.9%, to ¥7,680 million, despite higher SG&A

expenses, due to increased sales and higher gross profit, stemming from an improved cost of sales ratio.

(4) China

Sales of hematology and urinalysis reagents increased, due to a resurgence in testing demand. As a result, sales were ¥42,113 million, up 25.4% year on year.

Segment profit (operating profit) grew 289.1%, to ¥4,712 million, despite higher SG&A expenses, due to increased sales and higher gross profit, stemming from an improved cost of sales ratio.

(5) Asia Pacific

Sales of hematology and urinalysis reagents increased, due to a resurgence in testing demand. In South Asia, instrument sales increased in the hematology field due to the acquisition of bids in India. In India and Southeast Asia, sales of hemostasis instrument and reagents increased. As a result, sales were ¥13,498 million, up 24.4% year on year.

Segment profit (operating profit) grew 82.5%, to ¥1,724 million, despite higher SG&A expenses, due to increased sales and higher gross profit, stemming from an improved cost of sales ratio.

2) Financial conditions analysis

(1) Financial conditions

As of September 30, 2021, total assets amounted to ¥444,194 million, up ¥16,718 million from March 31, 2021. As main factors, cash and cash equivalents were up ¥11,748 million, and inventories rose ¥9,298 million, while trade and other receivables (current assets) fell ¥5,151 million.

Meanwhile, total liabilities as of September 30, 2021 were ¥119,471 million, up ¥664 million from March 31, 2021. Principal increases included income taxes payable, which rose ¥2,222 million, while contract liabilities decreased ¥1,351 million.

Total equity came to ¥324,722 million, up ¥16,053 million from March 31, 2021. Among principal reasons, retained earnings rose ¥14,720 million, and other components of equity increased ¥905 million. Equity attributable to owners of the parent to total assets rose 1.0 percentage points, from 72.0% on March 31, 2021 to 73.0% on September 30, 2021.

(2) Cash flows

As of September 30, 2021, cash and cash equivalents amounted to ¥78,216 million, up ¥11,748 million from March 31, 2021.

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 ¥37,230 million, up ¥13,410 million from the first six months of the previous fiscal year. As principal factors, profit before tax provided ¥32,088 million (¥13,997 million more than in the corresponding period of the preceding year), depreciation and amortization provided ¥13,799 million (¥1,261 million more than in the corresponding period of the preceding year), a decrease in trade receivables provided ¥6,062 million (down ¥2,407 million). An increase in inventories used ¥9,527 million (up ¥7,940 million), an income taxes paid amounted to ¥6,986 million (up ¥303 million).

(Cash flows from investing activities)

Net cash used in investing activities was ¥15,258 million (up ¥154 million). Among major factors, purchases of property, plant and equipment used ¥4,132 million (up ¥67 million), and purchases of intangible assets used ¥9,309 million (up ¥922 million).

(Cash flows from financing activities)

Net cash used in financing activities was ¥10,650 million (up ¥156 million). This was mainly due to dividends paid of ¥7,523 million (up ¥6 million).

3) Consolidated financial forecast

For the Company's consolidated financial forecast for the full fiscal year, please refer to the Announcement Regarding Differences between Actual and Forecast Figures for the Six Months Ended September 30, 2021, and Revision of Full Year Financial Forecasts, announced today (November 10, 2021)

2. Condensed quarterly consolidated financial statements and notes

1) Condensed quarterly consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and cash equivalents	66,467	78,216
Trade and other receivables	100,641	95,490
Inventories	46,985	56,284
Other short-term financial assets	1,105	852
Income taxes receivable	909	423
Other current assets	14,723	13,580
Total current assets	230,833	244,848
Non-current assets		
Property, plant and equipment	96,140	94,780
Goodwill	12,433	12,355
Intangible assets	46,840	55,045
Investments accounted for using the equity method	1,093	1,073
Trade and other receivables	15,202	15,089
Other long-term financial assets	7,945	9,281
Asset for retirement benefits	923	938
Other non-current assets	9,337	3,701
Deferred tax assets	6,724	7,078
Total non-current assets	196,641	199,345
Total assets	427,475	444,194

(Unit: Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	34,159	33,833
Lease liabilities	5,783	5,671
Other current financial liabilities	1,529	870
Income taxes payable	6,563	8,786
Provisions	1,002	1,105
Contract liabilities	12,168	10,816
Accrued expenses	14,227	14,519
Accrued bonuses	8,508	7,729
Other current liabilities	5,964	5,836
Total current liabilities	89,907	89,169
Non-current liabilities		
Lease liabilities	16,178	15,312
Other non-current financial liabilities	108	125
Liability for retirement benefits	1,071	1,136
Provisions	265	266
Other non-current liabilities	4,060	5,813
Deferred tax liabilities	7,212	7,647
Total non-current liabilities	28,898	30,301
Total liabilities	118,806	119,471
Equity		
Equity attributable to owners of the parent		
Capital stock	13,229	13,314
Capital surplus	19,581	20,028
Retained earnings	279,477	294,197
Treasury stock	(307)	(310)
Other components of equity	(4,082)	(3,177)
Total equity attributable to owners of the parent	307,898	324,052
Non-controlling interests	771	670
Total equity	308,669	324,722
Total liabilities and equity	427,475	444,194

2) Condensed quarterly consolidated statement of income

(Unit: Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Net sales	132,082	168,753
Cost of sales	64,792	78,932
Gross profit	67,289	89,821
Selling, general and administrative expenses	38,078	44,065
Research and development expenses	9,748	11,610
Other operating income	723	834
Other operating expenses	181	1,268
Operating profit	20,004	33,711
Financial income	166	254
Financial expenses	410	420
Share of profit (loss) of associates accounted for using the equity method	(968)	(1,437)
Foreign exchange gain (loss)	(701)	(19)
Profit before tax	18,090	32,088
Income taxes expenses	5,512	9,945
Profit	12,578	22,143
Profit attributable to		
Owners of the parent	12,653	22,243
Non-controlling interests	(75)	(100)
Profit	12,578	22,143
		(Unit: Yen)
Earnings per share		
Basic	60.59	106.42
Diluted	60.53	106.20

3) Condensed quarterly consolidated statement of other comprehensive income

(Unit: Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Profit	12,578	22,143
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	219	(109)
Total	219	(109)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	1,523	1,014
Share of other comprehensive income of investments accounted for using the equity method	(10)	(0)
Total	1,513	1,014
Total other comprehensive income	1,732	905
Comprehensive income	14,311	23,048
Comprehensive income attributable to		
Owners of the parent	14,386	23,149
Non-controlling interests	(75)	(100)
Comprehensive income	14,311	23,048

4) Condensed quarterly consolidated statement of changes in equity
Six months ended September 30, 2020

(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, 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

Six months ended September 30, 2021

(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, 2021	13,229	19,581	279,477	(307)	(4,082)	307,898	771	308,669
Profit	—	—	22,243	—	—	22,243	(100)	22,143
Other comprehensive income	—	—	—	—	905	905	0	905
Comprehensive income	—	—	22,243	—	905	23,149	(100)	23,048
Exercise of warrants	84	47	—	—	—	131	—	131
Share-based payment transactions	—	399	—	—	—	399	—	399
Cash dividends	—	—	(7,523)	—	—	(7,523)	—	(7,523)
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	84	446	(7,523)	(2)	—	(6,994)	—	(6,994)
As of September 30, 2021	13,314	20,028	294,197	(310)	(3,177)	324,052	670	324,722

5) Condensed quarterly consolidated statement of cash flows

(Unit: Millions of yen)

	Six months ended September 30, 2020	Six months ended September 30, 2021
Cash flows from operating activities		
Profit before tax	18,090	32,088
Depreciation and amortization	12,537	13,799
Decrease (increase) in trade receivable	8,469	6,062
Decrease (increase) in inventories	(1,586)	(9,527)
Increase (decrease) in trade payable	(6,441)	133
Decrease/increase in consumption taxes receivable/payable	3,014	1,855
Increase (decrease) in contract liabilities	(314)	(1,259)
Increase (decrease) in accrued bonuses	(1,545)	(823)
Other – net	(1,462)	2,083
Subtotal	30,762	44,412
Interest and dividend received	116	150
Interest paid	(374)	(345)
Income taxes paid	(6,683)	(6,986)
Net cash provided by (used in) operating activities	23,820	37,230
Cash flows from investing activities		
Purchases of property, plant and equipment	(4,065)	(4,132)
Purchases of intangible assets	(8,387)	(9,309)
Payments resulting in an increase in long-term prepaid expenses	(2,057)	(745)
Purchases of investments in debt instruments	–	(1,199)
Payments into time deposits	(1,141)	(549)
Proceeds from withdrawal of time deposits	579	635
Other – net	(32)	43
Net cash provided by (used in) investing activities	(15,104)	(15,258)
Cash flows from financing activities		
Dividends paid	(7,517)	(7,523)
Repayments of lease liabilities	(3,364)	(3,256)
Other – net	387	129
Net cash provided by (used in) financing activities	(10,494)	(10,650)
Effects of exchange rate changes on cash and cash equivalents	399	427
Net increase (decrease) in cash and cash equivalents	(1,378)	11,748
Cash and cash equivalents at the beginning of the term	56,592	66,467
Cash and cash equivalents at the end of the term	55,213	78,216

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, 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 (loss)	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 (loss) 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 (loss) is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.

Six months ended September 30, 2021

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	27,715	35,674	49,753	42,113	13,498	168,753	—	168,753
Intersegment sales	59,432	173	2,060	1	—	61,668	(61,668)	—
Total	87,147	35,848	51,813	42,115	13,498	230,422	(61,668)	168,753
Segment profit (loss)	18,957	1,775	7,680	4,712	1,724	34,850	(1,139)	33,711
Financial income	—	—	—	—	—	—	—	254
Financial expenses	—	—	—	—	—	—	—	420
Share of profit (loss) of associates accounted for using the equity method	—	—	—	—	—	—	—	(1,437)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(19)
Profit before tax	—	—	—	—	—	—	—	32,088
Income taxes expenses	—	—	—	—	—	—	—	9,945
Profit	—	—	—	—	—	—	—	22,143

Notes:

1. Segment profit (loss) adjustments of negative ¥1,139 million include negative ¥1,166 million for the unrealized gains on inventories and ¥99 million for the unrealized gains on non-current assets.
2. Segment profit (loss) is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.