



\* Notes

(1) Changes in the number of material subsidiaries during the quarter under review (This indicates whether there have been changes in the number of specified subsidiaries involving changes in the scope of consolidation): None

New — company(ies) ( —)  
 Excluded — company(ies) ( —)

(2) Adoption of a special accounting method applicable to the preparation of consolidated quarterly financial statements: None

(3) Changes in accounting policy or accounting estimates, or restatement

- ① Changes in accounting policy in accordance with revisions to accounting standards: Yes
- ② Changes other than those in ① above in accounting policy: None
- ③ Changes in accounting estimates: None
- ④ Restatement: None

Note: For details, please refer to 2. Consolidated Quarterly Financial Statements and Important Notes (4) Notes regarding Consolidated Quarterly Financial Statements (Changes in accounting policies) on page 10 of the Appendix.

(4) Number of shares of stock (common stock)

- ① Number of shares issued (including treasury stock) at the end of the term
- ② Number of shares of treasury stock at the end of the term
- ③ Average number of shares during the term (cumulative quarters)

1Q of FY ending March 2022	100,621,021	FY ended March 2021	100,621,021
1Q of FY ending March 2022	1,629,199	FY ended March 2021	189,377
1Q of FY ending March 2022	99,711,729	1Q of FY ended March 2021	110,141,071

\* The Summary of Quarterly Financial Results is not subject to quarterly audit by a Certified Public Accountant or an audit firm.

\* Explanation of Appropriate Use of Performance Forecasts and Other Issues Requiring Particular Mention

- The performance forecasts and other forward-looking statements contained herein are based on the information available to the Company at the time, and contain certain assumptions that the Company considers to be reasonable. They are subject to diverse factors that may cause actual results of operations and other items to differ significantly from the statements and forecasts. For a description of the assumptions underlying the performance forecasts and the points to note when using the performance forecasts in this document, etc., please refer to (3) Explanation of the performance forecast in 1. Qualitative Information Concerning Consolidated Quarterly Financial Results on page 4 of the Appendix.

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## 1. Qualitative Information Concerning Consolidated Quarterly Financial Results

## (1) Explanation of the progress in (consolidated) operating results

During the first quarter of the consolidated fiscal year under review, the Japanese economy continued to experience severe difficulties, particularly in the non-manufacturing sector despite some signs of recovery. These economic conditions have resulted in a widening performance disparity from sector to sector as the government issued state of emergency declarations and focused infection prevention measures on select prefectures on the back of the global novel coronavirus pandemic. The outlook for the Japanese economy remains uncertain as the risk of a resurgence in infection cases has materialized, although economic activities are expected to recover supported by, among other things, the spread of vaccination.

Under these circumstances, the Okamura Group disseminated information by leveraging our internal expertise in the form of, for example, releasing the report "Workplace Strategy toward a Post-COVID-19 Society, while challenging itself to try new pandemic-era workstyles. Through these activities, we strove to develop new market potential by creating distinctive products and offering total solutions.

As a result of the above, during the first quarter of the consolidated fiscal year under review, the Company posted net sales of ¥60,264 million (¥49,068 million in the same period of the previous fiscal year), operating income of ¥4,142 million (¥324 million in the same period of the previous fiscal year), ordinary income of ¥4,873 million (¥861 million in the same period of the previous fiscal year), and profit attributable to owners of parent of ¥3,294 million (¥1 million in the same period of the previous fiscal year). The Company posted record-high quarterly operating income, ordinary income, and profit for the first quarter of the fiscal year ending March 31, 2022.

In July 2021, we revised part of our existing management philosophy and systematically reorganized it into the "Okamura Way" to align with changing values that reflect the increasing importance of realizing a sustainable society. We aim to further enhance our corporate value and contribute to resolving social issues.

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020), etc. has been applied since the beginning of the first quarter of the consolidated fiscal year under review. As such, percentage changes from the same period of the previous consolidated fiscal year have been omitted in our explanation of the progress in (consolidated) operating results for the first quarter of the consolidated fiscal year under review.

For details, please refer to 2. Consolidated Quarterly Financial Statements and Important Notes (4) Notes regarding Consolidated Quarterly Financial Statements (Changes in accounting policies).

Performance results by segment are discussed below.

Segment name	Net sales (Millions of yen)			Segment income or loss (Millions of yen)		
	First quarter of FY ended March 2021	First quarter of FY ending March 2022	Increase/decrease	First quarter of FY ended March 2021	First quarter of FY ending March 2022	Increase/decrease
Office Furniture	25,910	31,038	5,127	329	2,881	2,552
Store Displays	18,534	25,235	6,701	(333)	1,297	1,631
Material Handling Systems	3,768	2,669	(1,098)	434	(31)	(466)
Others	855	1,320	464	(105)	(5)	99
Total	49,068	60,264	11,195	324	4,142	3,817

Note: The total of segment income or loss corresponds to the operating income on Consolidated Quarterly Statements of Income.

## Office Furniture

In the Office Furniture segment, the trend to create new office environments, such as work style reform, is expanding nationwide, reaching a broad base of companies, regardless of industry or scale. This trend is further intensifying due to rapid changes in the ways that people work amid the novel coronavirus pandemic. Under these circumstances, the Company made active efforts to popularize proposals on how to create new office environments that meet customer needs, leveraging the results obtained from our proof-of-concept office "LABO Office" to put into practice and verify new ways of working. This is in addition to the experience and knowledge gained from various measures executed within the Company as part of our own work style reform. Owing to these efforts, both net sales and income increased significantly in comparison to the first quarter of the previous consolidated fiscal year.

As a result, net sales in this segment amounted to ¥31,038 million (¥25,910 million in the same period of the previous fiscal year), and the segment income amounted to ¥2,881 million (a segment income of ¥329 million in the same period of the previous fiscal year).

### Store Displays

In the Store Displays segment, renovation demand remained firm particularly among retailers such as supermarkets and drug stores, which represent the Company's main customer base. Under these circumstances, the Company stepped up efforts to deliver total solutions for display fixtures, store carts, store security products, and the like by leveraging the organization's comprehensive capabilities. The Company also made efforts to cater to new demand for infection prevention measures. Owing to these efforts, both net sales and income increased significantly in comparison to the first quarter of the previous consolidated fiscal year.

As a result, net sales in this segment amounted to ¥25,235 million (¥18,534 million in the same period of the previous fiscal year), and the segment income amounted to ¥1,297 million (a segment loss of ¥333 million in the same period of the previous fiscal year).

### Material Handling Systems

In the Material Handling Systems segment, demand for automated storage systems remained at high levels. This was mainly among major logistics facilities on the back of expanding stay-at-home demand and growing labor-saving needs arising from labor shortages. Under these circumstances, the Company actively engaged in promotion activities for proposals that maximize the strengths of its products, which stand out due to their superiority. It also worked to take thorough infection prevention measures at work sites as well as to strengthen the engineering platform. Despite these efforts, both net sales and income declined in comparison to the first quarter of the previous consolidated fiscal year, mainly due to stagnation in sales negotiations since the beginning of the previous fiscal year and customers' postponing investment resulting from the spread of novel coronavirus infections.

As a result, net sales in this segment amounted to ¥2,669 million (¥3,768 million in the same period of the previous fiscal year), and the segment loss amounted to ¥31 million (a segment income of ¥434 million in the same period of the previous fiscal year).

## (2) Explanation of the changes in (consolidated) financial position

The Company's consolidated financial position at the end of the first quarter of the fiscal year under review is as follows:

Total assets amounted to ¥231,086 million, down ¥14,387 million compared with the end of the previous consolidated fiscal year. Current assets decreased by ¥12,841 million, mainly because of a decrease in notes and accounts receivable-trade and contract assets, and non-current assets decreased by ¥1,545 million, mainly due to a fall in the value of investment securities.

Liabilities amounted to ¥93,772 million, down ¥11,924 million compared with the end of the previous consolidated fiscal year, mainly due to an increase in short-term loans payable and a decrease in notes and accounts payable-trade, income taxes payable, and provision for bonuses.

Net assets amounted to ¥137,313 million, down ¥2,462 million from the end of the previous fiscal year, mainly because of an increase in retained earnings, a fall in the valuation difference on available-for-sale securities, and an increase in treasury stock.

As a result of the above, the equity ratio amounted to 59.0%, up 2.5 percentage points.

A review of cash flows for the first quarter of the current fiscal year is as follows:

Operating activities generated a net cash increase of ¥1,952 million (an increase of ¥7,924 million in the same period of the previous fiscal year), reflecting inflows including profit before income taxes for the quarter of ¥4,816 million, depreciation and amortization of ¥1,398 million, and a decrease in notes and accounts receivable-trade and contract assets of ¥11,924 million. Outflows included a decrease in provision for bonuses of ¥2,972 million and decreases in notes and accounts payable-trade of ¥7,316 million and income taxes paid of ¥4,338 million.

Investment activities resulted in a net cash outflow of ¥1,093 million (a net cash outflow of ¥649 million in the same period of the previous fiscal year), reflecting outflows including disbursements of ¥903 million for the purchase of property, plant and equipment, ¥173 million for the purchase of intangible assets, and ¥302 million for the purchase of investment securities.

Financing activities resulted in a net cash outflow of ¥3,089 million (a net cash outflow of ¥30 million in the same period of the previous fiscal year), reflecting inflows including an increase in short-term loans payable of ¥1,253 million and outflows including the acquisition of treasury stock of ¥2,037 million and cash dividends paid of ¥2,012 million.

Consequently, consolidated cash and cash equivalents at the end of the current fiscal year's first quarter decreased by ¥2,043 million from the end of the previous fiscal year (an increase of ¥7,054 million in the same period of the previous fiscal year) to ¥42,375 million.

(3) Explanation of the performance forecast

In consideration of recent business performance, the Company has revised its previous forecasts of consolidated performance for the fiscal year ending March 2022 announced on May 12, 2021. For the details of the revision, please refer to the "Announcement of Revision of Performance Forecasts" released today (August 4, 2021).

The performance forecasts have been made based on the information available as of the day when the announcement was published; actual results may differ from the predicted figures due to various factors.

## 2. Consolidated Quarterly Financial Statements and Important Notes

## (1) Consolidated Quarterly Balance Sheet

(Millions of yen)

	Previous fiscal year (As of March 31, 2021)	First quarter of the current fiscal year (As of June 30, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	45,156	42,996
Notes and accounts receivable-trade	66,834	–
Notes and accounts receivable-trade and contract assets	–	51,041
Short-term investment securities	10	10
Merchandise and finished goods	8,819	10,607
Work in process	1,512	4,110
Raw materials and supplies	4,466	4,667
Other	2,542	3,056
Allowance for doubtful accounts	(27)	(15)
Total current assets	129,313	116,472
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,356	15,158
Land	27,935	27,935
Other, net	14,953	14,937
Total property, plant and equipment	58,245	58,030
Intangible assets	3,376	3,294
Investments and other assets		
Investment securities	47,293	46,222
Other	7,271	7,094
Allowance for doubtful accounts	(27)	(27)
Total investments and other assets	54,537	53,289
Total non-current assets	116,160	114,614
Total assets	245,473	231,086

(Millions of yen)

	Previous fiscal year (As of March 31, 2021)	First quarter of the current fiscal year (As of June 30, 2021)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	27,850	22,590
Electronically recorded obligations-operating	17,013	15,002
Short-term loans payable	6,108	7,388
Current portion of long-term loans payable	1,674	1,625
Current portion of bonds payable	–	5,000
Income taxes payable	4,930	53
Provision for bonuses	3,926	953
Other	7,466	8,610
Total current liabilities	68,971	61,223
Non-current liabilities		
Bonds payable	10,000	5,000
Long-term loans payable	3,938	3,852
Net defined benefit liability	15,909	16,172
Other	6,877	7,524
Total non-current liabilities	36,726	32,549
Total liabilities	105,697	93,772
<b>Net assets</b>		
Shareholders' equity		
Capital stock	18,670	18,670
Capital surplus	16,766	16,766
Retained earnings	90,242	90,653
Treasury stock	(110)	(2,149)
Total shareholders' equity	125,568	123,940
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	14,198	13,131
Foreign currency translation adjustment	(132)	57
Remeasurements of defined benefit plans	(876)	(840)
Total accumulated other comprehensive income	13,188	12,347
Non-controlling interests	1,019	1,025
Total net assets	139,776	137,313
Total liabilities and net assets	245,473	231,086

## (2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income

Consolidated Quarterly Statements of Income  
[First Quarter of Current Fiscal Year]

(Millions of yen)

	First quarter of FY ended March 2021 (From April 1, 2020 to June 30, 2020)	First quarter of FY ending March 2022 (From April 1, 2021 to June 30, 2021)
Net sales	49,068	60,264
Cost of sales	33,562	40,357
Gross profit	15,506	19,906
Selling, general and administrative expenses		
Packing and transportation expenses	2,126	2,376
Salaries and allowances	5,467	5,771
Provision for bonuses	511	560
Rent expenses	2,279	2,172
Other	4,796	4,881
Total selling, general and administrative expenses	15,181	15,763
Operating income	324	4,142
Non-operating income		
Interest income	7	5
Dividends income	436	414
Equity in earnings of affiliates	115	217
Other	196	181
Total non-operating income	757	818
Non-operating expenses		
Interest expenses	42	35
Foreign exchange losses	60	–
Loss on sales and retirement of non-current assets	–	28
Compensation expenses	66	–
Other	51	22
Total non-operating expenses	220	87
Ordinary income	861	4,873
Extraordinary loss		
Impairment loss	6	12
Loss on valuation of investment securities	532	44
Utilization suspension expenses	197	–
Total extraordinary loss	735	57
Profit before income taxes	125	4,816
Income taxes-current	108	75
Income taxes-deferred	27	1,463
Total income taxes	136	1,539
Profit (loss)	(10)	3,277
Loss attributable to non-controlling interests	(12)	(16)
Profit attributable to owners of parent	1	3,294

Consolidated Quarterly Statements of Comprehensive Income  
[First Quarter of Current Fiscal Year]

(Millions of yen)

	First quarter of FY ended March 2021 (From April 1, 2020 to June 30, 2020)	First quarter of FY ending March 2022 (From April 1, 2021 to June 30, 2021)
Profit (loss)	(10)	3,277
Other comprehensive income		
Valuation difference on available-for-sale securities	3,248	(1,088)
Foreign currency translation adjustment	(227)	215
Remeasurements of defined benefit plans, net of tax	36	35
Share of other comprehensive income of entities accounted for using equity method	(70)	34
Total other comprehensive income	2,986	(802)
Comprehensive income	2,975	2,474
Details:		
Comprehensive income attributable to owners of parent	3,046	2,453
Comprehensive income attributable to non- controlling interests	(70)	21

## (3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	First quarter of FY ended March 2021 (From April 1, 2020 to June 30, 2020)	First quarter of FY ending March 2022 (From April 1, 2021 to June 30, 2021)
<b>Net cash provided by (used in) operating activities</b>		
Profit before income taxes	125	4,816
Depreciation and amortization	1,430	1,398
Impairment loss	6	12
Utilization suspension expenses	197	–
Equity in (earnings) losses of affiliates	(115)	(217)
Increase (decrease) in allowance for doubtful accounts	(5)	(11)
Increase (decrease) in provision for bonuses	(3,583)	(2,972)
Increase (decrease) in net defined benefit liability	312	306
Interest and dividends income	(444)	(420)
Interest expenses	42	35
Compensation expenses	66	–
Loss (gain) on valuation of investment securities	532	44
Decrease (increase) in notes and accounts receivable-trade	21,690	–
Decrease (increase) in notes and accounts receivable-trade and contract assets	–	11,924
Decrease (increase) in inventories	(755)	(1,978)
Increase (decrease) in notes and accounts payable-trade	(8,489)	(7,316)
Increase (decrease) in accrued consumption taxes	(777)	(535)
Other, net	1,112	817
Subtotal	11,346	5,903
Interest and dividends income received	447	428
Interest expenses paid	(46)	(41)
Compensation expenses paid	(66)	–
Utilization suspension expenses paid	(116)	–
Income taxes paid	(3,640)	(4,338)
Net cash provided by (used in) operating activities	7,924	1,952
<b>Net cash provided by (used in) investing activities</b>		
Payments into time deposits	(305)	(385)
Proceeds from withdrawal of time deposits	525	507
Purchase of property, plant and equipment	(561)	(903)
Purchase of intangible assets	(240)	(173)
Purchase of investment securities	(102)	(302)
Proceeds from sales and redemption of investment securities	0	0
Other, net	34	163
Net cash provided by (used in) investing activities	(649)	(1,093)
<b>Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	1,855	1,253
Proceeds from long-term loans payable	100	–
Repayment of long-term loans payable	(168)	(135)
Purchase of treasury stock	(0)	(2,037)
Cash dividends paid	(1,551)	(2,012)
Other, net	(266)	(158)
Net cash provided by (used in) financing activities	(30)	(3,089)
Effect of exchange rate change on cash and cash equivalents	(189)	188
Net increase (decrease) in cash and cash equivalents	7,054	(2,043)
Cash and cash equivalents at the beginning of the fiscal year	31,497	44,419
Cash and cash equivalents at the end of the quarter term	38,552	42,375

(4) Notes regarding Consolidated Quarterly Financial Statements

Note regarding the assumption of going concern

There is no information that needs to be disclosed herein.

Note regarding occurrence of significant change in amount of shareholders' equity

(Purchase of treasury stock)

During the first quarter of the fiscal year ending March 31, 2022, the Company purchased 1,439,000 shares of treasury stock at a price of ¥2,037 million pursuant to the resolution passed at the meeting of the Board of Directors held on May 26, 2021. As a result, the Company holds 1,629,199 shares of treasury stock at the end of the first quarter of the fiscal year ending March 31, 2022 at a carrying amount of ¥2,149 million.

Changes in accounting policies

(Application of the Accounting Standard for Revenue Recognition, etc.)

The "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020; hereinafter the "Accounting Standard for Revenue Recognition"), etc. has been applied since the beginning of the first quarter of the consolidated fiscal year under review. Under this accounting standard, the Company recognizes revenue at the time of the transfer of control of promised goods or services to the customer at the price expected to be received in exchange for those goods or services.

In the past, the Company recognized revenue for product installation services upon completion of each work category included in the installation services. Under the Accounting Standard for Revenue Recognition, however, the entire work of product installation services is regarded as a single performance obligation and progress toward the fulfillment of the performance obligation is estimated. Revenue is recognized based on the progress, except for contracts to be completed within a very short period. In the past, the Company also recognized revenue for a performance obligation with a fixed contract period within which the obligation is fulfilled on a straight-line basis over the contract period. However, under the new revenue recognition method, the Company estimates progress toward the fulfillment of performance obligations and recognizes revenue based on the progress.

Progress toward the fulfillment of performance obligations is measured based on the proportion of the actual cost incurred through the last day of each reporting period against the total estimated cost. When progress toward the fulfillment of performance obligations cannot be reasonably estimated, but the incurred cost is expected to be recovered, revenue is recognized by the cost recovery method.

In the past, the Company accounted for consideration paid to customers as selling, general and administrative expenses. Under the new method, it is deducted from the transaction price.

Pursuant to the transitional provisions of the proviso of paragraph 84 of the Accounting Standard for Revenue Recognition, for the first-time application of the Accounting Standard for Revenue Recognition, etc., the cumulative effect of the retrospective application of the new accounting policy to periods prior to the beginning of the first quarter of the current consolidated fiscal year was added to or deducted from the balance of retained earnings at the beginning of the first quarter of the current consolidated fiscal year, and the new accounting policy has been applied to that beginning balance. However, by applying the method prescribed in paragraph 86 of the Accounting Standard for Revenue Recognition, the Company has not applied the new accounting policy retrospectively to those contracts for which most of revenue had been recognized in accordance with the old accounting method before the beginning of the first quarter of the current consolidated fiscal year. In addition, by applying the method prescribed in (1) of the second sentence of paragraph 86 of the Accounting Standard for Revenue Recognition, the Company has accounted for all contracts that had been modified before the beginning of the first quarter of the current consolidated fiscal year based on the contractual terms that reflect all contract modifications. Their cumulative effect was added to or deducted from the balance of retained earnings at the beginning of the first quarter of the current consolidated fiscal year.

As a result, net sales for the first quarter of the consolidated fiscal year under review increased by ¥517 million; the cost of sales increased by ¥296 million; selling, general and administrative expenses decreased by ¥68 million; and operating income, ordinary income, and profit each increased by ¥289 million. The balance of retained earnings at the beginning of the current fiscal year decreased by ¥870 million.

In conjunction with the application of the Accounting Standard for Revenue Recognition, etc., "notes and accounts receivable-trade," which was presented under "current assets" in the consolidated balance sheet for the previous consolidated fiscal year, is included in "notes and accounts receivable-trade and contract assets" from the first quarter of the current fiscal year onwards. Pursuant to the transitional provisions of paragraph 89-2 of the Accounting Standard for Revenue Recognition, financial statements for the previous consolidated fiscal year are not restated in accordance with the new presentation method.

(Application of the Accounting Standard for Fair Value Measurement, etc.)

The "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019; hereinafter the "Accounting Standard for Fair Value Measurement"), etc. has been applied since the beginning of the first quarter of the consolidated fiscal year under review. The Company will apply the new accounting policy prescribed by the Accounting Standard for Fair Value Measurement, etc. prospectively in accordance with the transitional provisions of paragraph 19 of the Accounting Standard for Fair Value Measurement and paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019). The application has no impact on consolidated quarterly financial statements.

### Segment information

First quarter of FY ended March 2021 (from April 1, 2020 to June 30, 2020)

#### 1. Information concerning net sales and income or loss amounts by reportable segment

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjustment	Amount recorded on Consolidated Quarterly Financial Statements (Note 2)
	Office Furniture	Store Displays	Material Handling Systems	Total				
Net sales								
Net sales to external customers	25,910	18,534	3,768	48,212	855	49,068	—	49,068
Internal sales or transfers between segments	—	—	—	—	—	—	—	—
Total	25,910	18,534	3,768	48,212	855	49,068	—	49,068
Segment income or loss	329	(333)	434	430	(105)	324	—	324

Notes: 1. The category "Others" aggregates those business segments that do not meet the definition of reportable segments, and includes Powertrain and Others.

2. The total of segment income or loss corresponds to the operating income on Consolidated Quarterly Statements of Income.

#### 2. Information about impairment loss on non-current assets by segment

##### Significant impairment loss on non-current assets

An impairment loss on non-current assets has been included in the "Office Furniture," "Store Displays" and "Material Handling Systems" segments. For the first quarter of the current fiscal year, the recorded impairment loss on non-current assets amounted to ¥3 million for the "Office Furniture" segment, ¥0 million for the "Store Displays" segment and ¥1 million for "Material Handling Systems" segment.

First quarter of FY ending March 2022 (from April 1, 2021 to June 30, 2021)

#### 1. Information concerning net sales and income or loss amounts by reportable segment

(Millions of yen)

	Reportable segments				Others (Note 1)	Total	Adjustment	Amount recorded on Consolidated Quarterly Financial Statements (Note 2)
	Office Furniture	Store Displays	Material Handling Systems	Total				
Net sales								
Net sales to external customers	31,038	25,235	2,669	58,943	1,320	60,264	—	60,264
Internal sales or transfers between segments	—	—	—	—	—	—	—	—
Total	31,038	25,235	2,669	58,943	1,320	60,264	—	60,264
Segment income or loss	2,881	1,297	(31)	4,147	(5)	4,142	—	4,142

Notes: 1. The category "Others" aggregates those business segments that do not meet the definition of reportable segments, and includes Powertrain and Others.

2. The total of segment income or loss corresponds to the operating income on Consolidated Quarterly Statements of Income.

#### 2. Matters concerning changes in reportable segments

As noted in the "Changes in accounting policies" section, the Company changed the accounting method for revenue recognition by applying the Accounting Standard for Revenue Recognition, etc. since the beginning of the first quarter of the

consolidated fiscal year under review. As a result, the Company also changed the calculation method of operating segment income or loss.

As a result of this change, in comparison to the figures calculated in accordance with the old method, net sales increased by ¥372 million and segment income increased by ¥346 million in the Office Furniture segment, net sales increased by ¥80 million and segment income decreased by ¥71 million in the Store Displays segment, and net sales increased by ¥64 million and segment income increased by ¥14 million in the Material Handling Systems segment for the first quarter of the current consolidated fiscal year.

### 3. Information about impairment loss on non-current assets by segment

#### Significant impairment loss on non-current assets

An impairment loss on non-current assets has been recognized in the Office Furniture segment. The amount of the impairment loss was ¥12 million for the first quarter of the current consolidated fiscal year.

#### Significant subsequent events

There is no information that needs to be disclosed herein.