



Consolidated Financial Results for the First Half of the Fiscal Year Ending December 31, 2020 (January 1, 2020 – June 30, 2020)

August 20, 2020

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Scheduled date of payment of dividend: September 14, 2020

Scheduled date of filing quarterly report: August 21, 2020

Supplementary materials compiled to explain 1st-quarter financial statements? ☒ Yes / No

Briefing to be held to explain 1st-quarter financial results? ☒ Yes / No (For institutional investors and analysts)

(Figures are rounded to the nearest million yen; fractions of one million discarded rather than rounded up or down)

1. 2020 1st Half Consolidated Financial Results (January 1, 2020 – June 30, 2020)

(1) Consolidated Results of Operations (Percentages represent change from the same quarter last year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ending Jun. 30, 2020	12,234	1.2	2,584	(10.1)	2,640	(9.4)	1,745	(9.0)
Jun. 30, 2019	12,087	21.1	2,874	14.9	2,914	14.8	1,918	12.3

Notes: Comprehensive income: 1,672 million yen (down 15.4%) in the six months ending Jun. 30, 2020
 1,977 million yen (up 9.9%) in the six months ending Jun. 30, 2019

	Earnings per share (basic)	Earnings per share (diluted)
	Yen	Yen
Six months ending Jun. 30, 2020	35.06	34.68
Jun. 30, 2019	38.02	37.66

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Jun. 30, 2020	27,466	23,765	84.1
As of Dec. 31, 2019	28,419	23,165	79.4

Reference: Shareholders' equity: 23,102 million yen as of Jun. 30, 2020
 22,573 million yen as of Dec. 31, 2019

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ending Dec. 31, 2019	—	17.00	—	23.00	40.00
Year ending Dec. 31, 2020	—	20.00	—	—	—
FY2020 forecast	—	—	—	25.00	45.00

Notes: Amendments to dividend numbers compared to most recently announced forecasts? None

Notes: FY2019 dividend per share comprised an ordinary dividend of 20.00 yen and a commemorative bonus dividend of 3.00 yen.
 The bonus dividend was to commemorate the group's 50th anniversary.

3. Forecast Consolidated Financial Results for FY2020 (January 1, 2020 – December 31, 2020)

(Percentages represent year-on-year change)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Earnings per share
Full year	Million yen 24,000 to 25,760	% Down 6.8 to 0.0	Million yen 4,300 to 5,150	% Down 24.6 to 9.7	Million yen 4,350 to 5,200	% Down 24.4 to 9.6	Million yen 2,900 to 3,500	% Down 25.0 to 9.5	Yen 58.26 to 70.31

Notes: Amendments to performance numbers compared to most recently announced forecasts? Yes

Please refer to our Notice Regarding Revision of Financial Result Forecast released on August 20, 2020, for information relating to consolidated forecasts for the fiscal year ending December 31, 2020.

Remarks

(1) Changes in consolidated subsidiaries in 1Q and 2Q: None

Changes in scope of consolidation:

- No. of new companies added: None
- Names of new companies added:
- No. of companies removed: None
- Names of companies removed:

(2) Application of specific accounting procedures when compiling 2Q consolidated financial statements: None

(3) Changes in accounting policies; changes in estimates; re-statement of amendments

- 1) Changes in accounting policies caused by revision of accounting standards: None
- 2) Other changes in accounting policies: None
- 3) Changes in accounting estimates: None
- 4) Re-statement of amendments: None

(4) Number of issued shares (common stock)

1) Number of shares issued at end of three-month period (including treasury stock)

2) Number of treasury shares at end of three-month period

3) Average number of shares during three-month period (cumulative total)

Jun. 30, 2020	53,000,000	Dec. 31, 2019	53,000,000
Jun. 30, 2020	3,220,157	Dec. 31, 2019	3,220,991
Jun. 30, 2020	49,779,095	Jun. 30, 2020	50,458,177

Notes: This financial summary is excluded from quarterly review by a CPA or auditing company.

Statement Regarding the Use of Forward-Looking Statements

Forecasts in these materials regarding future performance are based on reasonable judgments made in accordance with information currently available. Actual results may differ greatly from these forecasts for a number of factors. Please refer to "Results of Operations" on page 2 of the appendix for further information concerning the conditions on which these forecasts are based and further cautions with respect to the use of forward-looking statements.

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1. Qualitative Information Regarding the Six Months Ending Jun. 30, 2020

(1) Results of Operations

The second quarter was severe for the Japanese economy, as a state of emergency was declared due to COVID-19, causing the economy at home to deteriorate suddenly, corporate profits to decline, and the effective job-to-application ratio to fall. With an uncertain outlook, it is necessary to pay attention to further impact of the infectious disease both in Japan and overseas.

We at the Funai Soken Consulting Group sought to make the best of the restricted circumstances with online seminars, web-based consulting, and telecommuting.

As a result, for the six months ended June 30, 2020, net sales were 12,234 million yen (up 1.2% over the same quarter in the preceding year); operating income was 2,584 million yen (down 10.1%); ordinary income was 2,640 million yen (down 9.4%); and net income attributable to owners of the parent was 1,745 million yen (down 9.0%).

I. Net sales: 12,234 million yen (up 1.2% over the same period of the preceding year)

Sales of online advertisement agency services (part of our consulting business) grew, as did sales in our direct recruiting business, even though we were not able to secure sufficient sales activities due to COVID-19.

Consequently, net sales rose 1.2% over the same period of the previous year to 12,234 million yen.

II. Operating income: 2,584 million yen (down 10.1% over the same period of the preceding year)

Cost of sales increased to 8,081 million yen from 7,750 million yen in the same period of the preceding year, and SG&A rose to 1,568 million yen from 1,462 million yen

Consequently, operating income decreased 10.1% over the same period of the previous year to 2,584 million yen.

III. Ordinary income: 2,640 million yen (down 9.4% over the same period of the preceding year)

Non-operating income was 65 million yen (48 million yen in the same period of the preceding year), mainly due to gains on sales of investment securities acquired by investing surplus funds, while non-operating expenses were 9 million yen (8 million yen in the same period of the preceding year).

Consequently, ordinary income decreased 9.4% over the same period of the previous year to 2,640 million yen.

IV. Net income attributable to owners of the parent: 1,745 million yen (down 9.0% over the same period of the preceding year)

Income taxes totaled 890 million yen (989 million yen in the same period of the preceding year), and net income attributable to owners of the parent was 1,745 million yen, down 9.0% over the same period in the preceding year.

Segment-Specific Performance

The performance of each business segment is outlined below.

I. Consulting

Sales of performance improvement consulting for our main housing and real estate industry, as well as education, childcare, and school industry, increased over the same period in the previous year. Sales of online advertisement agency services also grew, as the percentage of website use among our clients increases as the way to attract customers. However, in many other sectors, new orders were sluggish due to restrictions on sales activities and the suspension of face-to-face seminars caused by the outbreak of COVID-19. As a result, sales for the second quarter decreased year on year. Sales at Funai Consulting Shanghai Inc., based in Shanghai, China, declined due to significant restrictions on business operations from the beginning of the fiscal year, although operations resumed gradually from April.

Profits declined as fixed cost increase due to a rise in the number of employees and sales decline were not fully made up for by a significant reduction in travel expenses and seminar venue expenses due to restrictions on commuting to offices and business trips.

Consequently, net sales decreased 2.1% from the same period of the preceding year to 9,071 million yen, and operating income decreased 12.1% from the same period of the preceding year to 2,513 million yen.

II. Logistics

Deeper mining of existing clients and spot orders resulted in increased sales for our logistics operations compared with the same period in the preceding year. In the logistics consulting business, although new orders were sluggish, we were able to secure an increase in revenue. However, in the logistics trading business, sales decreased compared with the same period of the preceding year due to a decrease in fuel sales volume resulting from a decrease in the transfer of companies and employees, and a decrease in the fuel unit price. Profits declined due to a decrease in the overall profit margin resulting from a decline in the percentage in the overall sales of the logistics consulting business, which has a high profit margin, and also due to an increase in personnel expenses associated with an increase in the number of employees.

Consequently, net sales rose 9.4% over the same period of the preceding year to 1,279 million yen, while operating income decreased 0.5% from the same period of the preceding year to 165 million yen.

III. Direct Recruiting

Net sales increased 24.4% over the same period in the preceding year as the base contracts increased year on year even though COVID-19 caused the cancellation of seminars, which resulted in a decrease in new clients and in help-wanted ads. The direct recruiting business ran an operating loss in 1Q and 2Q due to continuous upfront investments aimed at early sales expansion. The investments are made mainly in sales promotions, and personnel costs and system development costs related to our operating framework. The loss amount was smaller than that in the same period last year.

Consequently, net sales rose 24.4% over the same period of the preceding year to 1,358 million yen, with operating loss of 66 million yen (153 million yen loss in the same period of the previous year).

IV. Other Businesses

Sales and operating income were both down as COVID-19 resulted in restrictions on operations and delayed work.

Consequently, net sales decreased 6.3% from the same period of the preceding year to 513 million yen with operating loss of 51 million yen (operating income of 6 million yen in the same period of the preceding year).

(2) Financial Position

Assets

Total assets at the end of the second quarter decreased 953 million yen from the end of FY2019 to 27,466 million yen.

Current assets decreased 896 million yen from the end of FY2019 to 15,798 million yen. This was mainly due to an increase in cash and deposits, and a decrease in trade notes and accounts receivable and short-term investment securities.

Noncurrent assets decreased 56 million yen from the end of FY2019 to 11,667 million yen. This was mainly due to a decrease in buildings and structures.

Liabilities

Total liabilities decreased 1,553 million yen from the end of FY2019 to 3,700 million yen at the end of the second quarter.

Current liabilities decreased 1,521 million yen from the end of FY2019 to 3,410 million yen. This was mainly due to a decrease in current portion of bonds and a decrease in accounts payable and deposits received, which are included in other current liabilities.

Noncurrent liabilities decreased 31 million yen from the end of FY2019 to 290 million yen. This was mainly due to a decrease in deferred tax liabilities.

Net Assets

Total net assets increased 600 million yen from the end of FY2019 to 23,765 million yen at the end of the second quarter.

Equity Ratio

Equity ratio increased 4.7 points from the end of FY2019 to 84.1% at the end of the second quarter.

(2) Cash flow

Cash and cash equivalents (hereinafter “net cash”) increased 379 million yen from the end of FY2019 to 12,009 million yen at the

end of the second quarter.

Trends in cash flow during the first half of FY2020 are described below.

(Net cash provided by (used in) operations)

Net cash provided by operations totaled 1,562 million yen (2,168 million yen in the same period of the preceding year).

This was mainly due to net income before income taxes and other adjustments of 2,635 million yen, and income taxes paid of 1,108 million yen.

(Net cash provided by (used in) investment)

Net cash provided by investments totaled 271 million yen (net use of 435 million yen in the same period of the previous year).

This was mainly due to net proceeds of 395 million yen from the purchase, sale and redemption of investment securities, and expenditure of 123 million yen on purchases of property, plant, and equipment, and intangible assets.

(Net cash provided by (used in) financing)

Net cash used in financing totaled 1,453 million yen (net use of 1,019 million yen in the same period of the previous year).

This was mainly due to 1,142 million yen distributed as dividends.

(3) Consolidated Forecast and Other Forward-Looking Information

During the current fiscal year, the Japanese economy remained in a difficult situation due to the COVID-19 infection. Its impact on the domestic and overseas economies is expected to last long, affecting to a certain degree SMEs, our main source of clients. The Funai Soken Consulting Group is changing the style of seminars for proprietors from the traditional in-person style to an online style, and promoting a shift in our consulting activities from visiting-based consulting to remote consulting using web conferencing system. In addition, our early uptake of web-based operations and telecommuting as part of our digital shift has ensured hiring and back-office operations remain intact.

In the consolidated financial summary for the first quarter of FY 2020, we expressed our decision not to announce the full-year business performance forecast for FY2020, considering the difficulty in reasonably forecasting our performance and dividends to be paid, as it was uncertain, in the midst of COVID-19 infection, when the restrictions on consulting activities would be lifted or when the impact of the viral spread on SMEs would diminish. Although the outlook for the end of the infection is still uncertain at this point, we have forecast the earnings based on information and prospects available now. For details, please refer to our Notice Regarding Revision of Financial Result Forecast and Dividend of Surplus (Interim Dividend) released on August 20, 2020.

The revised forecast of the full-year consolidated results is as follows: net sales of 24,000 million to 25,760 million yen, operating income of 4,300 million to 5,150 million yen, ordinary income of 4,350 million to 5,200 million yen, and net income attributable to owners of the parent of 2,900 million to 3,500 million yen.

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheet

(Unit: Thousand yen)

	FY12/19 (As of Dec. 31, 2019)	First half of FY12/20 (As of Jun. 30, 2020)
Assets		
Current assets		
Cash and deposits	11,630,554	12,009,933
Trade notes and accounts receivable	2,870,051	2,266,403
Short-term investment securities	1,001,132	504,781
Work in process	155,685	162,784
Raw materials and supplies	5,759	7,307
Other current assets	1,071,147	890,119
Allowance for doubtful accounts	(39,543)	(43,204)
Total current assets	16,694,787	15,798,126
Noncurrent assets		
Property, plant, and equipment		
Buildings and structures, net	1,311,009	1,270,334
Land	4,602,643	4,602,643
Other property, plant, and equipment, net	196,280	178,268
Total property, plant, and equipment	6,109,933	6,051,246
Intangible assets		
Leasehold rights	322,400	322,400
Software	274,379	295,157
Other intangible assets	177,210	126,211
Total intangible assets	773,990	743,768
Investments and other assets		
Investment securities	3,907,279	3,885,945
Assets related to retirement benefits	473,196	494,561
Other investments and other assets	468,046	502,039
Allowance for doubtful accounts	(8,006)	(9,612)
Total investments and other assets	4,840,516	4,872,935
Total noncurrent assets	11,724,440	11,667,950
Total assets	28,419,227	27,466,076

(Unit: Thousand yen)

	FY12/19 (As of Dec. 31, 2019)	First half of FY12/20 (As of Jun. 30, 2020)
Liabilities		
Current liabilities		
Trade notes and accounts payable	347,821	297,991
Current portion of bonds payable	500,000	—
Short-term loans payable	—	200,000
Income taxes payable	1,159,020	948,550
Provision for bonuses	—	152,464
Other current liabilities	2,925,055	1,811,041
Total current liabilities	4,931,897	3,410,047
Noncurrent liabilities		
Long-term loans payable	100,000	100,000
Retirement benefit liabilities	60,876	63,669
Deferred tax liabilities	109,949	80,186
Other noncurrent liabilities	51,377	46,825
Total noncurrent liabilities	322,203	290,681
Total liabilities	5,254,101	3,700,729
Net assets		
Shareholders' equity		
Capital stock	3,125,231	3,125,231
Capital surplus	2,947,675	2,951,287
Retained earnings	19,731,165	20,331,733
Treasury stock	(3,342,957)	(3,345,503)
Total shareholders' equity	22,461,115	23,062,748
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211,575	127,075
Foreign currency translation adjustments	16,146	15,620
Accumulated adjustments for retirement benefits	(114,954)	(103,214)
Total accumulated other comprehensive income	112,766	39,481
Subscription rights for shares	591,243	663,116
Total net assets	23,165,126	23,765,346
Total liabilities and net assets	28,419,227	27,466,076

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

First Half

(Unit: Thousand yen)

	First half of FY12/19 (Jan. 1 – Jun. 30, 2019)	First half of FY12/20 (Jan. 1 – Jun. 30, 2020)
Net sales	12,087,880	12,234,202
Cost of sales	7,750,723	8,081,952
Gross profit	4,337,156	4,152,249
SG&A expenses	1,462,648	1,568,071
Operating income	2,874,508	2,584,178
Non-operating income		
Interest income	4,525	8,521
Dividend income	5,013	4,709
Gain on sales of investment securities	18,891	36,305
Gain on valuation of investment securities	1,464	2,893
Consumption taxes refund	11,429	—
Other non-operating income	7,440	13,218
Total non-operating income	48,766	65,649
Non-operating expenses		
Interest expenses	2,590	1,652
Loss on valuation of investment securities	1,914	887
Foreign exchange losses	757	4,398
Investment partnership management expenses	2,047	1,824
Other non-operating expenses	1,047	435
Total non-operating expenses	8,358	9,198
Ordinary income	2,914,915	2,640,629
Extraordinary income		
Gain on sales of investment securities	626	32
Total extraordinary income	626	32
Extraordinary losses		
Loss on retirement of noncurrent assets	394	5,135
Loss on sales of investment securities	6,807	—
Total extraordinary losses	7,201	5,135
Net income before income taxes and other adjustments	2,908,341	2,635,525
Current income taxes	1,017,542	901,389
Deferred income taxes	(27,843)	(11,349)
Total income taxes	989,699	890,040
Net income	1,918,641	1,745,484
Net income attributable to owners of the parent	1,918,641	1,745,484

Consolidated Statement of Income

Second Quarter

(Unit: Thousand yen)

	First half of FY12/19 (Jan. 1 – Jun. 30, 2019)	First half of FY12/20 (Jan. 1 – Jun. 30, 2020)
Net income	1,918,641	1,745,484
Other comprehensive income		
Valuation difference on available-for-sale securities	45,008	(84,499)
Foreign currency translation adjustments	(918)	(525)
Adjustments for retirement benefits	14,921	11,740
Total other comprehensive income	59,011	(73,284)
Comprehensive income	1,977,653	1,672,199
Details		
Comprehensive income attributable to owners of the parent	1,977,653	1,672,199

(3) Consolidated Cash Flow Statement

(Unit: Thousand yen)

	First half of FY12/19 (Jan. 1 – Jun. 30, 2019)	First half of FY12/20 (Jan. 1 – Jun. 30, 2020)
Net cash provided by (used in) operations		
Net income before income taxes and other adjustments	2,908,341	2,635,525
Depreciation	132,626	142,357
Amortization of goodwill	33,417	22,569
Share-based compensation expenses	95,275	78,473
Increase (decrease) in allowance for doubtful accounts	300	5,266
Decrease (increase) in assets related to retirement benefits	(9,495)	(9,623)
Increase (decrease) in liabilities related to retirement benefits	12,504	2,793
Increase (decrease) in provision for bonuses	120,941	152,596
Loss (gain) on valuation of investment securities	449	(2,006)
Loss (gain) on sales of investment securities	(12,710)	(36,337)
Interest and dividend income	(9,539)	(13,231)
Interest expenses	2,590	1,652
Loss (gain) on exchange	(367)	(863)
Loss on retirement of property, plant, and equipment	394	2,427
Loss on retirement of intangible assets	—	2,708
Decrease (increase) in trade notes and accounts receivable	(31,213)	603,482
Decrease (increase) in other assets	(453,610)	(265,605)
Increase (decrease) in other liabilities	(13,486)	(1,129,053)
Other cash provided by (used in) operations	4,274	5,036
Subtotal	2,780,692	2,198,169
Interest and dividends received	20,003	20,369
Interest paid	(2,601)	(1,619)
Income taxes paid	(972,367)	(1,108,372)
Income taxes refund	343,175	454,299
Net cash provided by (used in) operations	2,168,902	1,562,846
Net cash provided by (used in) investments		
Purchase of securities	(100,067)	—
Proceeds from sale and redemption of securities	100,000	600,000
Purchase of investment securities	(163,405)	(205,550)
Proceeds from sale and redemption of investment securities	14,272	797
Purchase of property, plant, and equipment	(221,369)	(36,472)
Purchase of Intangible assets	(73,809)	(87,278)
Proceeds from cancellation of insurance funds	8,938	—
Net cash provided by (used in) investments	(435,439)	271,496
Net cash provided by (used in) financing		
Increase (decrease) in short-term loans payable	—	200,000
Redemption of bonds	—	(500,000)
Repayment of lease obligations	(7,376)	(5,102)
Purchase of treasury shares	(7,021)	(5,538)
Proceeds from sale of treasury shares	148	2
Dividends paid	(1,005,609)	(1,142,610)
Net cash provided by (used in) financing	(1,019,860)	(1,453,247)
Effect of exchange rate changes on cash and cash equivalents	(1,791)	(1,715)
Net increase (decrease) in cash and cash equivalents	711,810	379,379
Cash and cash equivalents at start of fiscal year	11,022,585	11,630,554
Cash and cash equivalents at end of quarter	11,734,395	12,009,933

(4) Notes on Consolidated Financial Statements

Notes on Going Concern Assumptions

None to report.

Notes on Significant Changes to Shareholders' Equity

None to report.

Segment Information

I. First Half of FY12/19 (Jan. 1 – Jun. 30, 2019)

Information About Net Sales, Income, and Losses for Each Segment

(Unit: Thousand yen)

	Consulting	Logistics	Direct recruiting	Other businesses ⁽¹⁾	Total	Adjustment ⁽²⁾	Amount listed in consolidated statement of income ⁽³⁾
Net sales							
Sales to external customers	9,267,413	1,169,556	1,091,494	547,584	12,076,049	11,831	12,087,880
Inter-segment sales and transfers	98,870	289,287	7,079	12,761	407,999	(407,999)	—
Total	9,366,284	1,458,844	1,098,574	560,345	12,484,048	(396,167)	12,087,880
Segment income	2,859,256	166,664	(153,502)	6,858	2,879,277	(4,768)	2,874,508

Notes

1. The “other businesses” category includes income from IT consulting, contact center consulting, and systems development.
2. Adjustments of segment income/losses include elimination of inter-segment transactions and whole-group revenues and expenses that are not attributable to any segment. Whole-group income is comprised of outsourcing fees, consulting fees, and rental income from group companies, and whole-group expenses are comprised of those incurred in the operations of the group’s holding company not attributable to any segment.
3. Income/losses are adjusted against operating income in the consolidated statement of income.

II. First Half of FY12/20 (Jan. 1 – Jun. 30, 2020)

Information About Net Sales, Income, and Losses for Each Segment

(Unit: Thousand yen)

	Consulting	Logistics	Direct recruiting	Other businesses ⁽¹⁾	Total	Adjustment ⁽²⁾	Amount listed in consolidated statement of income ⁽³⁾
Net sales							
Sales to external customers	9,071,551	1,279,621	1,358,033	513,164	12,222,370	11,831	12,234,202
Inter-segment sales and transfers	70,968	135,590	2,280	1,552	210,391	(210,391)	—
Total	9,142,520	1,415,211	1,360,313	514,716	12,432,762	(198,560)	12,234,202
Segment income	2,513,083	165,823	(66,305)	(51,637)	2,560,963	23,215	2,584,178

Notes

1. The “other businesses” category includes income from IT consulting, contact center consulting, and systems development.
2. Adjustments of segment income/losses include elimination of inter-segment transactions and whole-group revenues and expenses that are not attributable to any segment. Whole-group income is comprised of outsourcing fees, consulting fees, and rental income from group companies, and whole-group expenses are comprised of those incurred in the operations of the group’s holding company not attributable to any segment.
3. Income/losses are adjusted against operating income in the consolidated statement of income.

3. Other Information

(1) Orders and Sales

I. Orders

Orders won by each operating segment in the first half of FY2020 are as follows.

Segment	Orders received (unit: 1,000 yen)	Change from same period last year (%)	Orders outstanding (unit: 1,000 yen)	Change from same period last year (%)
Consulting	6,213,032	(12.3)	6,487,496	(5.6)
Logistics	183,143	(40.7)	214,595	(6.3)
Other businesses	152,825	(51.0)	164,370	23.1

Notes

1. Consulting orders above include only consulting revenues; membership fees and seminar fees are excluded as they are recurring revenues.
2. Logistics revenues include only that earned from logistics consulting activities.
3. Direct recruiting entails no consulting revenues and is therefore not included in the above table.
4. Other income includes only that earned from IT and contact center consulting.
5. The above amounts are based on sale prices.
6. The above amounts do not include consumption tax.

II. Sales

Sales made by each operating segment in the first half of FY2020 are as follows.

Segment	Sales (unit: 1,000 yen)	Change from same period last year (%)
Consulting	9,071,551	(2.1)
Logistics	1,279,621	9.4
Direct recruiting	1,358,033	24.4
Other businesses	513,164	(6.3)
Total	12,222,370	1.2

Notes

1. Sales amounts indicate sales to external customers.
2. The above amounts do not include consumption tax.
3. No single customer accounted for 10% or more of aggregate net sales.