



Consolidated Financial Results for the Second Quarter of Fiscal Year 2024 (Japanese GAAP)

January 12, 2024

Listed company name Suminoe Textile Co., Ltd. Listed on the Tokyo Stock Exchange
Code number 3501 URL: <https://suminoe.co.jp/>
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Scheduled date of filing of quarterly report: January 12, 2024 Scheduled date of dividend payment: February 13, 2024
Preparation of supplementary explanatory documents for quarterly financial results: No
Holding analyst meeting for quarterly financial results: Yes (For institutional investors and securities analysts)

(Amounts are rounded down to the nearest million yen) (Figures in brackets are negative)

1. Consolidated Financial Results for the 2nd Quarter of FY2024 (June 1, 2023 to November 30, 2023)

(1) Consolidated Operating Results (accumulation) (% change from the previous year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Q2 of FY ending May 31, 2024	51,409	13.2	1,405	—	1,693	—	753	—
Q2 of FY ended May 31, 2023	45,407	15.5	(218)	—	148	(74.9)	(687)	—

(Note) Comprehensive income Q2 of FY ending May 31, 2024: 2,431 million yen (208.7 %)

Q2 of FY ended May 31, 2023: 787 million yen (— %)

	Profit per share Basic	Profit per share Diluted
	Yen	Yen
Q2 of FY ending May 31, 2024	116.07	—
Q2 of FY ended May 31, 2023	(108.55)	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Q2 of FY ending May 31, 2024	94,832	37,063	33.2
FY2023	88,151	34,113	32.7

(Reference) Shareholders' equity Q2 of FY ending May 31, 2024: 31,514 million yen FY2023: 28,861 million yen

2. Dividend Information

	Dividend per share				
	First quarter	Second quarter	Third quarter	End of the year	Annual
	Yen	Yen	Yen	Yen	Yen
FY2023	—	35.00	—	20.00	55.00
FY2024	—	35.00	—	—	—
FY2024 (Forecast)	—	—	—	35.00	70.00

(Note) Revision of the latest dividend forecast: No

3. Forecast of Consolidated Financial Results for FY2024 (June 1, 2023 to May 31, 2024)

(% change from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share Basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	102,200	7.8	3,100	139.4	3,400	115.8	1,600	399.3	241.93

(Note) Revision of the latest forecasts of operational results: Yes

For the revisions to business forecast, please refer to “Notice on the Revisions to the Business Forecast (Upward Revisions)” which we have announced on January 11, 2024. (Only available in Japanese)

*Notes

(1) Major changes in significant consolidated subsidiaries during the period (changes in specified subsidiaries accompanying change in the scope of consolidation): No

(2) Adoption of special accounting methods for preparing quarterly consolidated financial statements: No

(3) Changes in accounting policies, financial estimates and restatements

(i) Changes in accounting policies due to revisions of accounting standards: No

(ii) Changes in accounting policies other than (i) above: No

(iii) Changes in financial estimates: No

(iv) Restatements of financial statements: No

(4) Number of shares issued (common stock)

(i) Number of shares issued at the end of the period (including treasury stock)

Q2 of FY2024	7,682,162 shares	FY2023	7,682,162 shares
Q2 of FY2024	926,506 shares	FY2023	1,338,540 shares
Q2 of FY2024	6,491,584 shares	Q2 of FY2023	6,336,696 shares

(ii) Number of treasury shares at the end of the period

(iii) Average number of shares outstanding during the period (quarterly consolidated cumulative period)

(Note) The summary of quarterly financial results is outside the scope of quarterly review by a certified public accountant or an accounting firm.

(Note) Explanation on the appropriate use of forecasts and other special issues

(Note on the forward-looking statements)

The forward-looking statements in this document concerning forecasts of performance, etc. are based on currently available information, and contain uncertain factors. The actual performance may be significantly different from the forecasts due to various factors.

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1. Qualitative information for the second quarter of the fiscal year under review

(1) Explanation of business results

During the first six months of the consolidated fiscal year ending May 31, 2024, the Japanese economy witnessed a gradual recovery trend as shown in recovery of service consumption due to the revival of various events and an increase in inbound demand on the back of normalization of social and economic activities. However, the economic environment remains a concern due to the impact of the continuation of worldwide financial tightening, China's sluggish economic recovery and remaining raw material prices and energy costs at high level.

In the interior industry, which relates to the Company's business, domestic new housing starts were down 7.1% year on year, and the floor area of nonresidential construction starts were decreased by 12.7% year on year. In the automotive industry, automobile production in the Japanese market was up 14.0% year on year. Production in overseas markets also increased in the same period of the previous fiscal year.

The Group has been promoting its medium- to long-term management targets, "SUMINOE GROUP WAY 2022-2024-2027," which is now in its third year.

In the Interior Fittings Segment, the Company focuses on increasing sales of environment-friendly and health-conscious products, such as *ECOS*®, eco-friendly carpet tiles under the horizontal recycling system. Furthermore, the Company is striving to expand the scope of its Space Design Business, which involves designing an entire space, with the expectation of generating synergy among Group companies. We will reinforce our competitive edge by flexibly satisfying customer needs in the entire Interior Fittings Segment while working to raise awareness of the SUMINOE brand.

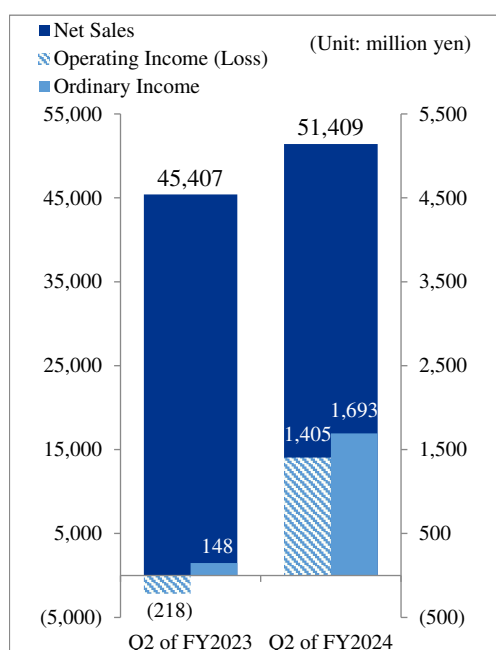
In the Automotive Textiles and Traffic Facilities Segment, efforts are being made in the automotive textiles business on global development of the decorative fabric business, technological development and increasing orders received for non-textile products, such as synthetic leather. Concurrently, we also strive to expand sales of eco-friendly products, such as *ECONIX*, a seat covering material that utilizes *SUMITRON*®, recycled polyester fiber. While optimizing raw material procurement and production locations, we continue to work on appropriately passing the rising cost on to our product prices. In the traffic facilities business, we are preparing for development and production systems to quickly respond to the recovery of demand on the back of the increase in passengers experienced by railway and bus operators by sophisticating designs and functions through collaboration with Seki Textile Co., Ltd., which was converted into a subsidiary in the previous fiscal year. Furthermore, our efforts are also focused on market expansion to products other than interior textiles for railway vehicles and buses and on development in new fields.

In the Functional Materials Segment, the plant reorganization was completed by relocating from China, where the production base of fabric-coated heating products was located, to Vietnam, thereby making the plant in Vietnam the main plant of fabric-coated heating products since the previous fiscal year. By diversifying regional risks and building a more optimal supply system, we will promote responses to the uncertain external environment. As the new development of fabric-coated heating products, the Group also promotes B to C initiatives, including the launch of new "*USB Cushion & Blanket*" sales in November 2023 through "Carpet Marche" operated by SUMINOE Co., Ltd. Furthermore, by strengthening collaboration with the Technology and Production Headquarters as development divisions and also by working to accelerate product development and enhance the capability of development and sales, the Company strives to secure order receipts in existing businesses, establish new functional processing technologies that meet market needs, and promote development and sales through the utilization of new functional materials.

For the entire Group, we are reconstructing our core system and raising the accuracy of our consolidated performance management, thus working steadily on building a foundation for business growth. In the previous fiscal year, we introduced credit/debit and general accounting systems, which form the basis of the financial accounting system, and a production management system to the Company. Going forward, these will be expanded to the entire Group to realize a more sophisticated management system, reduce maintenance and operating costs, and improve efficiency through operational improvements.

Having marked the 140th anniversary of the Company's foundation in 2023, we are working on the Company's branding in pursuit of improvement in corporate brand value. In the previous fiscal year, we have once again identified the strengths of the SUMINOE GROUP and the benefits it provides to society. On June 1, 2023, SUMINOE GROUP announced its Group Philosophy, the unified Group logo that has been brushed up while continuing the tradition of the Seahorse mark and tagline 「あらゆる空間に、イノベーションを。」. Under these, the entire Group will unite to promote business and create synergy across businesses, aiming to enhance corporate value over the medium to long term.

Under these circumstances, our consolidated quarterly results for the second quarter of this fiscal year are as follows.

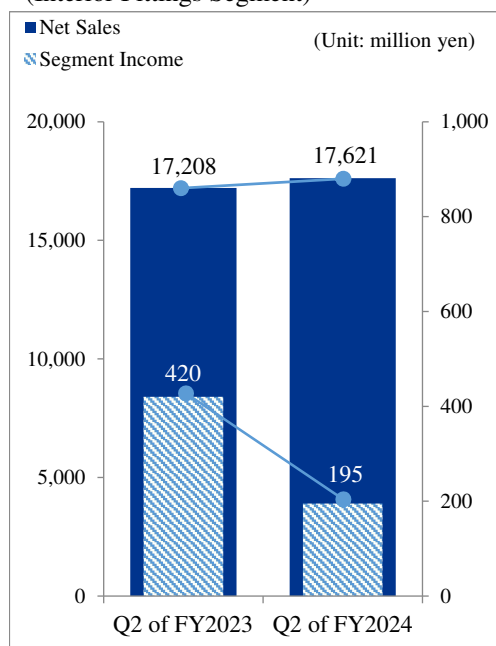


Net sales recorded robust growth of 13.2% on a year-on-year basis to 51,409 million yen owing to an increase in automobile production volume thanks to a recovery in production from the supply shortage of semiconductors and components and growth in Automotive Textiles and Traffic Facilities Segment. As to profits, due to increased sales and progress in optimizing production systems and improving profitability in line with business restructuring at North and Central American bases, operating income of 1,405 million yen (operating loss of 218 million yen in the same period of the previous year) and ordinary income of 1,693 million yen (ordinary income of 148 million yen in the same period of the previous year) were recorded, resulting in profit attributable to owners of parent of 753 million yen (loss attributable to owners of parent of 687 million yen in the same period of the previous year).

The performance by segment is as described below.

Segments	Net sales		Operating income	
	Amount (Million yen)	YY Change (%)	Amount (Million yen)	YY Change (%)
Interior Fittings	17,621	+2.4	195	(53.5)
Automotive Textiles and Traffic Facilities	31,533	+23.4	2,130	+822.7
Functional Materials	2,067	(15.7)	84	(22.6)
Other	186	(4.5)	33	(10.9)
Total	51,409	+13.2	2,444	+206.1
Adjustment	—	—	(1,038)	—
Consolidated	51,409	+13.2	1,405	—

(Interior Fittings Segment)



Net sales increased by 2.4% year-on-year to 17,621 million yen due to commercial carpets sold mainly for carpet tiles volume growth and as the space design business, which designs entire “spaces,” also remained strong. Segment income decreased by 53.5% year-on-year to 195 million yen due to lower sales of household carpets and the impact of the surge in raw material prices caused by exchange rate fluctuations and other factors, despite our continued efforts to pass on the rising costs to product prices.

In commercial carpets, *ECOS®* sold by SUMINOE Co., Ltd., eco-friendly carpet tiles under the horizontal recycling system, increased number of deliveries and sales volume from the growing awareness of environmental considerations. As a result, net sales of commercial carpets as a whole grew by 5.1% year on year.

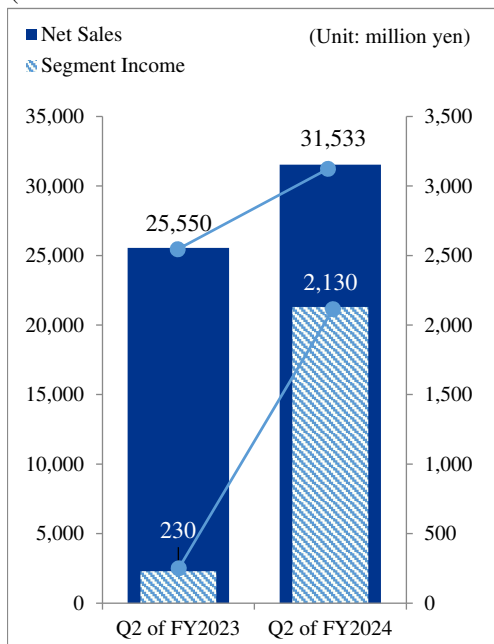
In household carpets, we focused on the development and sales of pet-related products as a new sales channel. However, the market continued to stagnate due to the increase in opportunities to go out. As a result, net sales of household carpets as a whole were down 16.2% year on year.

In curtains, sales of *Face Vol. 20.1*, curtains for medical, welfare and educational institutions showed steady growth. As a result, net sales of curtains as a whole were up 1.7% year on year.

In wall coverings, sales of a catalogue of fusuma paper, *Keisho Vol. 32*, launched by RUNON CO., LTD. last year, which represents a modern design that continues to evolve with the times showed steady growth. As a result, net sales of wall coverings as a whole were up 1.9% year-on-year.

In the space design business, the development of new customers led to an increase in orders received, resulting in a net sales increase by 6.5% year on year.

(Automotive Textiles and Traffic Facilities Segment)

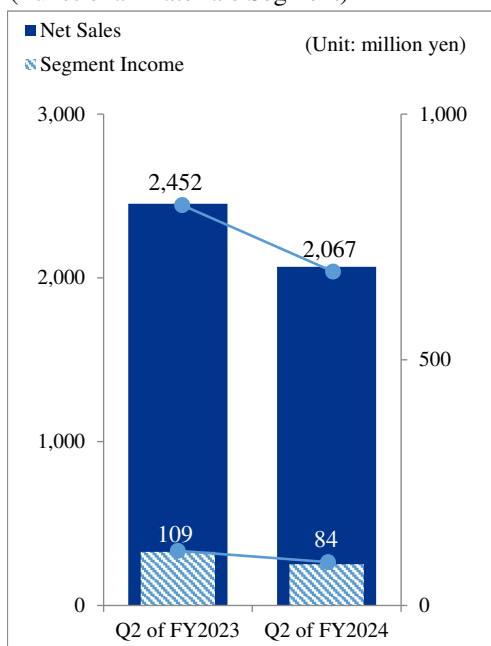


Automobile-related sales have been steady due to the increase in production volume of Japanese automakers in Japan and abroad, and we steadily responded to recovering demand for interior products for railways and buses, leading to the highest growth rate over the last decade of 23.4% year on year to 31,533 million yen in net sales. In addition, due to increased sales and business restructuring at North and Central American bases have borne fruit, resulting in segment income increased by 822.7% year-on-year to 2,130 million yen.

In automotive textiles business, domestic sales increased by 25.2% year on year thanks to a recovery in production from the end of the supply shortage of semiconductors and components. Furthermore, while Japanese automakers are struggling in China, sales for assembling production of finished vehicles in Japan remained strong at the Group's Chinese bases. In addition, there was an increase in production in North and Central America and a favorable exchange rate, which resulted in a year-on-year increase of 20.4% in overseas sales.

In the traffic facilities business, net sales for railways exceeded those for the same period of the previous fiscal year due to an increase in the number of public transport users, reflecting growing inbound demand or more opportunities to go out, and recovering railway renewal works. Moreover, demand for our interior products for buses was on a recovery trend, especially for public buses. As a result, net sales in the traffic facilities business as a whole exceeded the results for the same period of the previous fiscal year.

(Functional Materials Segment)



In deodorizing filters, although the decline in demand for deodorant filters for air purifiers continued to stagnate, products for a new genre of household appliances were launched and *Tispa® series deodorizer for home use, “Real Odor Deodorization without Disguising with a Scent”* showed steady growth. As a result, net sales of deodorizing filters as a whole exceeded the results for the same period of the previous fiscal year. In floor materials for bathrooms, although the volume of orders did not reach that for the same period of the previous year, sales increased due to sales price revisions and other factors. In fabric-coated heating products such as electric carpets, one of our core products, sales were lower than in the same period of the previous year, due to a decrease in the number of new orders, affected by the sluggish market. Therefore, net sales in the Functional Materials Segment as a whole decreased by 15.7% year-on-year to 2,067 million yen and segment income decreased by 22.6% year on year to 84 million yen.

(2) Explanation of financial position

(i) Financial position

Total assets at the end of the second consolidated accounting quarter under review amounted to 94,832 million yen, up 6,681 million yen from the end of the previous consolidated fiscal year, due to an increase in notes and accounts receivable - trade.

Liabilities grew to 57,768 million yen, an increase of 3,730 million yen, due to an increase in notes and accounts payable - trade.

Net assets grew to 37,063 million yen, an increase of 2,950 million yen, due to an increase in retained earnings.

(ii) Cash flows

Cash and cash equivalents at the end of second quarter of the consolidated fiscal year amounted to 9,756 million yen, up 2,826 million yen from the end of the previous fiscal year. A summary of the cash flow situation is provided as follows:

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 2,914 million yen (211 million yen used in the same period of the previous year) due to profit before income taxes and an increase in notes and accounts payable - trade, despite an increase in notes and accounts receivable - trade and income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 694 million yen (2,170 million yen was used in the same period of the previous year) due to purchase of property, plant and equipment.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 424 million yen (1,202 million yen was provided in the same period of the previous year) due to proceeds from long-term loans payable and proceeds from sales of treasury shares, despite net decrease in short-term loans payable and repayments of long-term loans payable.

(3) Explanation of future forecast information including forecast of consolidated business results

Based on the business performance as of today, we have revised the full-year of fiscal year ending May 31, 2024 forecast announced on July 14, 2023. For details, please refer to “Notice on the Revisions to the Business Forecast

(Upward Revisions)” which we have announced on January 11, 2024. (Only available in Japanese)

2. Consolidated quarterly financial statements and major notes

(1) Consolidated quarterly balance sheet

(Unit: million yen)

	FY2023 (As of May 31, 2023)	Q2 of FY2024 (As of November 30, 2023)
Assets		
Current assets		
Cash and deposits	7,079	9,906
Notes and accounts receivable - trade, and contract assets	15,814	17,430
Electronically recorded monetary claims - operating	7,385	8,233
Merchandise and finished goods	9,583	8,910
Work in process	2,023	2,442
Raw materials and supplies	4,316	4,493
Others	2,705	3,338
Allowance for doubtful accounts	(28)	(27)
Total current assets	48,880	54,729
Non-current assets		
Property, plant and equipment		
Land	16,640	16,784
Other, net	13,335	14,183
Total property, plant and equipment	29,976	30,968
Intangible assets	1,656	1,524
Investments and other assets		
Investment securities	4,904	4,944
Deferred tax assets	1,663	1,537
Other	1,222	1,278
Allowance for doubtful accounts	(152)	(151)
Total investments and other assets	7,638	7,609
Total non-current assets	39,271	40,103
Total assets	88,151	94,832

(Unit: million yen)

	FY2023 (As of May 31, 2023)	Q2 of FY2024 (As of November 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	10,237	11,894
Electronically recorded obligations - operating	7,596	8,019
Short-term loans payable	12,841	10,972
Income taxes payable	493	500
Other	4,839	5,685
Total current liabilities	36,008	37,072
Non-current liabilities		
Bonds payable	1,000	1,000
Long-term loans payable	7,438	10,060
Deferred tax liabilities	311	316
Provision for directors' retirement benefit	96	91
Net defined benefit liability	4,111	4,053
Other	5,070	5,174
Total non-current liabilities	18,029	20,695
Total liabilities	54,037	57,768
Net assets		
Shareholders' equity		
Capital stock	9,554	9,554
Capital surplus	2,611	2,229
Retained earnings	11,207	11,833
Treasury shares	(3,913)	(2,708)
Total shareholders' equity	19,458	20,908
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,143	1,360
Deferred gains or losses on hedges	27	12
Revaluation reserve for land	6,922	6,922
Foreign currency translation adjustment	1,362	2,347
Remeasurements of defined benefit plans	(52)	(36)
Total accumulated other comprehensive income	9,403	10,605
Non-controlling interests	5,251	5,549
Total net assets	34,113	37,063
Total liabilities and net assets	88,151	94,832

(2) Consolidated quarterly statement of income and comprehensive income

Consolidated quarterly statement of income

(The second quarter of FY2024)

(Unit: million yen)

	Q2 of FY2023 (June 1, 2022 to November 30, 2022)	Q2 of FY2024 (June 1, 2023 to November 30, 2023)
Net sales	45,407	51,409
Cost of sales	36,556	40,556
Gross profit	8,851	10,852
Selling, general and administrative expenses	9,069	9,447
Operating income (loss)	(218)	1,405
Non-operating income		
Interest income	15	13
Dividend income	58	54
Share of income of entities accounted for using equity method	28	—
Foreign exchange gains	239	220
Real estate rent	135	148
Other	109	147
Total non-operating income	586	584
Non-operating expenses		
Interest expenses	175	147
Share of loss of entities accounted for using equity method	—	91
Rent expenses on real estates	19	12
Other	23	45
Total non-operating expenses	218	296
Ordinary income	148	1,693
Extraordinary income		
Gain on sales of non-current assets	9	23
Gain on sales of investment securities	0	110
Total extraordinary income	9	133
Extraordinary loss		
Loss on sales and retirement of non-current assets	13	14
Impairment loss	183	—
Loss on valuation of investment securities	—	22
Loss on disaster	—	39
Total extraordinary loss	197	77
Profit (loss) before income taxes	(39)	1,749
Income taxes - current	456	578
Income taxes - deferred	(1)	41
Total income taxes	454	620
Profit (loss)	(493)	1,128
Profit attributable to non-controlling interests	193	375
Profit (loss) attributable to owners of parent	(687)	753

Consolidated quarterly statements of comprehensive income
(The second quarter of FY2024)

(Unit: million yen)

	Q2 of FY2023 (June 1, 2022 to November 30, 2022)	Q2 of FY2024 (June 1, 2023 to November 30, 2023)
Profit (loss)	(493)	1,128
Other comprehensive income		
Valuation difference on available-for-sale securities	685	216
Deferred gains or losses on hedges	(65)	(14)
Foreign currency translation adjustment	613	1,084
Remeasurements of defined benefit plans	48	15
Share of other comprehensive income of entities accounted for using equity method	(1)	0
Total other comprehensive income	1,281	1,302
Comprehensive income	787	2,431
Comprehensive income attributable to:		
Owners of parent	498	1,956
Non-controlling interests	289	475

(3) Consolidated quarterly statement of cash flows

	Q2 of FY2023 (June 1, 2022 to November 30, 2022)	Q2 of FY2024 (June 1, 2023 to November 30, 2023)
Cash flows from operating activities		
Profit (loss) before income taxes	(39)	1,749
Depreciation	1,111	1,133
Impairment loss	183	—
Increase (decrease) in net defined benefit liability	25	(39)
Increase (decrease) in provision for directors' retirement benefits	(5)	(4)
Increase (decrease) in allowance for doubtful accounts	(6)	(1)
Interest and dividend income	(73)	(68)
Interest expenses	175	147
Share of loss (profit) of entities accounted for using equity method	(28)	91
Share issuance cost	—	10
Loss (gain) on sales and retirement of non-current assets	4	(8)
Loss (gain) on sales of investment securities	(0)	(110)
Loss (gain) on valuation of investment securities	—	22
Decrease (increase) in notes and accounts receivable - trade	(2,149)	(1,724)
Decrease (increase) in inventories	(18)	655
Increase (decrease) in notes and accounts payable - trade	1,004	1,478
Decrease (increase) in consumption taxes refund receivable	535	(50)
Increase (decrease) in accrued consumption taxes payable	(4)	(26)
Decrease (increase) in other current assets	(372)	(591)
Increase (decrease) in other current liabilities	87	803
Other	(69)	79
Subtotal	361	3,545
Interest and dividend income received	73	63
Interest expenses paid	(158)	(142)
Income taxes paid	(538)	(596)
Income taxes refund	51	43
Net cash provided by (used in) operating activities	(211)	2,914
Cash flows from investing activities		
Payments into time deposits	(150)	(150)
Proceeds from withdrawal of time deposits	180	150
Purchase of securities	(0)	(5)
Proceeds from sales and redemption of securities	3	8
Purchase of property, plant and equipment	(1,858)	(976)
Proceeds from sales of property, plant and equipment	115	73
Payments for retirement of property, plant and equipment	—	(2)
Purchase of intangible assets	(46)	(87)
Payments for asset retirement obligations	(1)	—
Purchase of investment securities	(10)	(8)
Proceeds from sales and redemption of investment securities	21	303
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	26	—
Payments of loans receivable	(0)	(0)
Collection of loans receivable	2	1
Payments for acquisition of businesses	(452)	—
Other	0	0
Net cash provided by (used in) investing activities	(2,170)	(694)

(Unit: million yen)

	Q2 of FY2023 (June 1, 2022 to November 30, 2022)	Q2 of FY2024 (June 1, 2023 to November 30, 2023)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,280	(2,702)
Proceeds from long-term loans payable	2,750	4,513
Repayments of long-term loans payable	(1,941)	(1,267)
Repayments of lease obligations	(405)	(442)
Purchase of treasury shares	(0)	(0)
Proceeds from sales of treasury shares	—	782
Proceeds from issuance of share acquisition rights	—	3
Cash dividends paid	(221)	(125)
Cash dividends paid to non-controlling interests	(259)	(335)
Net cash provided by (used in) financing activities	1,202	424
Effect of exchange rate change on cash and cash equivalents	183	182
Net increase (decrease) in cash and cash equivalents	(995)	2,826
Cash and cash equivalents at beginning of period	7,970	6,929
Cash and cash equivalents at end of period	6,975	9,756

(4) Major notes on consolidated quarterly financial statements

(Notes on assumption of going concern)

Not applicable

(Notes on significant changes in shareholders' equity)

Not applicable

(Segment information)

I Q2 of FY2023 (June 1, 2022 to November 30, 2022)

1. Information on net sales and income or loss by reportable segment

(Unit: million yen)

	Reportable Segments				Other (Note 1)	Total	Adjustment (Note 2)	Figures in consolidated quarterly statement of income (Note 3)
	Interior Fittings	Automotive Textiles and Traffic Facilities	Functional Materials	Total				
Net sales								
Net sales to outside customers	17,208	25,550	2,452	45,212	195	45,407	—	45,407
Inter-segment sales and transfers	336	20	0	357	68	426	(426)	—
Total	17,545	25,571	2,453	45,570	263	45,833	(426)	45,407
Segment income	420	230	109	760	38	798	(1,017)	(218)

(Note) 1. *Other* represents businesses that are not included in reportable segments, such as the physical property and performance inspection businesses.

2. Adjustment of (1,017) million yen in segment income includes eliminations among segments of 29 million yen and corporate expenses unallocated to relevant reportable segments of (1,046) million yen. Unallocated corporate expenses mainly consist of expenses for the Administrative division and R&D division that do not belong to any reportable segment.

3. Segment income is adjusted with operating loss in consolidated quarterly statement of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Impairment loss on non-current assets has been recorded in the Interior Fittings Segment and the Automotive Textiles and Traffic Facilities Segment. The amount of the impairment loss recorded for the six months ended November 30, 2022 was 180 million yen in the Interior Fittings Segment and 3 million yen in the Automotive Textiles and Traffic Facilities Segment.

II Q2 of FY2024 (June 1, 2023 to November 30, 2023)

1. Information on net sales and income or loss by reportable segment

(Unit: million yen)

	Reportable Segments				Other (Note 1)	Total	Adjustment (Note 2)	Figures in consolidated quarterly statement of income (Note 3)
	Interior Fittings	Automotive Textiles and Traffic Facilities	Functional Materials	Total				
Net sales								
Net sales to outside customers	17,621	31,533	2,067	51,223	186	51,409	—	51,409
Inter-segment sales and transfers	387	3	14	404	64	468	(468)	—
Total	18,008	31,536	2,081	51,627	250	51,878	(468)	51,409
Segment income	195	2,130	84	2,410	33	2,444	(1,038)	1,405

(Note) 1. *Other* represents businesses that are not included in reportable segments, such as the physical property and performance inspection businesses.

2. Adjustment of (1,038) million yen in segment income includes eliminations among segments of 48 million yen and corporate expenses unallocated to relevant reportable segments of (1,087) million yen. Unallocated corporate expenses mainly consist of expenses for the Administrative division and R&D division that do not belong to any reportable segment.

3. Segment income is adjusted with operating income in consolidated quarterly statement of income.

2. Information on impairment loss on non-current assets or goodwill, etc. by reportable segment

Omitted as it is not significant.