

Consolidated Quarterly Financial Results (Japanese Accounting Standards) for the First Three Quarters of the Fiscal Year Ending December 31, 2019

December 13, 2019

Name of Listed Company: TOYO INK SC HOLDINGS CO., LTD. Listings: Tokyo Stock Exchange
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Scheduled date of submission of quarterly report: December 16, 2019
Scheduled date of commencement of dividend payments: –
Supplementary documents for quarterly results: Yes
Quarterly results briefing: No

(Amounts of less than million yen are omitted.)

1. Consolidated business results for the first three quarters of fiscal 2019 ending December 31, 2019

(From January 1, 2019 to September 30, 2019)

(1) Business results (cumulative totals)

(Figures in percentages denote the year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
First Three Quarters, Fiscal 2019	209,456	-1.9	9,495	-13.0	9,609	-11.1	5,410	-35.7
First Three Quarters, Fiscal 2018	213,474	–	10,915	–	10,807	–	8,418	–

(Note) Comprehensive income: First three quarters, fiscal 2019: 267 million yen (-88.7%)
First three quarters, fiscal 2018: 2,370 million yen (-%)

	Profit per share (Basic)		Profit per share (Diluted)	
	Yen		Yen	
First Three Quarters, Fiscal 2019	92.66		92.49	
First Three Quarters, Fiscal 2018	144.19		144.01	

* The Company conducted a consolidation of common stock at the ratio of five to one (5:1) effective as of July 1, 2018. In this regard, the basic profit per share and the diluted profit per share are calculated on the assumption that the said stock consolidation was implemented at the beginning of the previous fiscal year.

The Company changed its fiscal year-end from March 31 to December 31 as of the fiscal year ended December 31, 2017. Because of this change, the increase-decrease rates from the previous fiscal year were not presented with respect to the first three quarters of the fiscal year ended December 31, 2018 because the Company had not prepared financial statements for the first three quarters of the consolidated fiscal year ended December 31, 2017.

(2) Financial position

	Total assets		Net assets		Net worth/Total assets	
	Million yen		Million yen		%	
First Three Quarters, Fiscal 2019	356,275		215,705		58.8	
Fiscal 2018	371,610		221,091		57.6	

(Note) Net worth: First three quarters, fiscal 2019: 209,351 million yen
Fiscal 2018: 214,170 million yen

* The Company adopted the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (Accounting Standards Board of Japan (ASBJ) Statement No. 28 issued on February 16, 2018), etc. at the beginning of the first quarter of the current fiscal year, and the values for the fiscal year ended December 31, 2018 are those after the said Standard, etc. are applied retrospectively.

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Annual
	Yen				
Fiscal 2018	–	8.00	–	45.00	–
Fiscal 2019	–	45.00	–		
Fiscal 2019 (Forecast)				45.00	90.00

(Note) Revision to dividend forecasts published most recently: No

* For the year-end dividend per share for the fiscal year ended December 31, 2018, the amount considering the impact of the said stock consolidation is stated, and the specific total annual dividends are not stated, with only “–” stated. The annual dividend per share recalculated based on the standards after the stock consolidation is 85 yen for the fiscal year ended December 31, 2018.

3. Forecasts for the year ending December 31, 2019 (From January 1, 2019 to December 31, 2019)

(Figures in percentages denote the year-on-year change.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full-year	280,000	-3.5	13,300	-12.9	13,500	-12.5	8,500	-28.3	145.57

(Note) Revision to consolidated business performance forecasts published most recently: Yes

* Notes

- (1) Important changes of subsidiaries during the term (changes in specific subsidiaries accompanied by a change in the scope of consolidation): No
- (2) Application of special accounting treatment to the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies and changes or restatement of accounting estimates
- | | |
|---|-----|
| (i) Changes in accounting policies due to the modification in accounting methods: | Yes |
| (ii) Changes in accounting policies other than (i): | Yes |
| (iii) Changes in accounting estimates: | Yes |
| (iv) Restatement: | No |
- (4) Numbers of shares issued (common shares)
- | | |
|--|-------------------|
| (i) Numbers of shares issued at the end of the terms (including treasury shares): | |
| First three quarters, fiscal 2019: | 60,621,744 shares |
| Fiscal 2018: | 60,621,744 shares |
| (ii) Numbers of treasury shares at the end of the terms: | |
| First three quarters, fiscal 2019: | 2,229,955 shares |
| Fiscal 2018: | 2,238,409 shares |
| (iii) Average numbers of shares issued during the terms (consolidated accumulation periods): | |
| First three quarters, fiscal 2019: | 58,391,840 shares |
| First three quarters, fiscal 2018: | 58,384,326 shares |

* The Company conducted a consolidation of common stock at the ratio of five to one (5:1) effective as of July 1, 2018. In this regard, the average numbers of shares issued during the terms are calculated on the assumption that the said stock consolidation was implemented at the beginning of the previous fiscal year.

* These quarterly financial results are not subject to quarterly audits by certified public accountants or audit corporations.

* Explanations about the proper use of financial forecasts and other important notes

1. The above forecasts are based on the information available on the date these materials are released and incorporate assumptions about uncertainties that may affect future earnings. The forecasts do not constitute an assurance that the Company promises to achieve the earnings. Actual earnings could differ materially from these forecasts due to various factors in the future. For notes about assumptions of earnings forecasts and the use of earnings forecasts, refer to "(3) Information on the consolidated earnings forecasts and other future forecasts" of "1. Qualitative Information on Financial Results, etc., for the First Three Quarters Ended September 30, 2019" on page 4 of the accompanying materials.
2. Supplementary documents for financial results will be posted on the Company's website on December 13, 2019 (Friday).

Accompanying Materials – Contents

1. Qualitative Information on Financial Results, etc. for the First Three Quarters Ended September 30, 2019	2
(1) Details of operating results	2
(2) Details of financial position	4
(3) Information on the consolidated earnings forecasts and other future forecasts	4
2. Consolidated Financial Statements and Primary Notes	5
(1) Consolidated balance sheet	5
(2) Consolidated statements of income and consolidated statements of comprehensive income	7
(3) Notes to consolidated quarterly financial statements	9
(Notes on assumption of going business)	9
(Notes on significant changes in the amount of shareholders' equity)	9
(Changes in accounting policies)	9
(Changes in accounting policies that are difficult to differentiate from accounting estimates)	9
(Additional information)	9
(Segment information, etc.)	10

1. Qualitative Information on Financial Results, etc., for the First Three Quarters Ended September 30, 2019

(1) Details of operating results

During the first three quarters of the consolidated fiscal year under review, the global economy showed a further slowdown in China, among other countries, associated with trade friction between the United States and China and the increasing political risk, although growth continued mainly in the United States. Japan also experienced growing deterioration in business confidence, although a moderate recovery trend continued.

In this business environment, the Toyo Ink Group operated its businesses based on the following three policies: “developing new businesses and providing value that captures changes in the market and customer needs,” “leading the market with leading-edge technology by fundamentally reviewing the supply chains, the product structure, and manufacturing processes and procedures at bases in Japan and overseas as a manufacturing company,” and “reforming the culture, personnel system and operations so as to be willing to change and encourage challenges.”

However, the market for high-performance products such as smartphones remained weak, associated with the prolonged trade friction between the United States and China, and raw materials prices remained high. As a result, net sales for the first three quarters under review declined to 209,456 million yen (down 1.9% year on year), and profit also fell with operating profit of 9,495 million yen (down 13.0% year on year), ordinary profit of 9,609 million yen (down 11.1% year on year), and profit attributable to owners of parent of 5,410 million yen (down 35.7% year on year).

Results by segment are as follows:

(i) Colorants and Functional Materials Related Business

Sales of high-performance pigments and materials for LCD color filters did not grow much because utilization shrank, particularly among customers in Japan and South Korea that deal with high-definition products in particular, due to continued weak demand for smartphones and TV sets. Profits were also squeezed, with demand for the reduction of costs for parts and materials becoming stronger in China and Taiwan.

Sales of commodity-type pigments, particularly those for printing inks for publications, continued to be weak, and those for automobile coatings also grew at a sluggish pace. The prices of raw materials, mainly caused by the supply shortage associated with environmental regulations, continued to rise, and an effort to offset such rises with higher sales prices was not enough to make up for the decline in profits.

While sales of plastic colorants for containers continued to grow in Japan, sales of high-performance products such as plastic colorants for automobiles, construction materials and solar cells remained weak. In addition, sales of office equipment were sluggish in Southeast Asia.

As a result, net sales in the overall Colorants and Functional Materials Related Business decreased to 51,114 million yen (down 7.9% year on year), and operating profit fell to 2,725 million yen (down 28.9% year on year).

(ii) Polymers and Coatings Related Business

In the functional films and tapes segment, both sales and operating profit grew at a sluggish pace in general due to the weak smartphone market and intensifying price competition in China and South Korea, although the Group advanced the development and sales of electromagnetic shielding films for high-speed communication and other products.

In the adhesives segment, domestic sales of those for use in packaging remained firm, and sales of adhesives for use in lithium-ion batteries, particularly those for automobiles, expanded. In the overseas business, sales expansion advanced in China, Southeast Asia and Turkey. In the adhesive compounds segment, demand for those for labels remained strong, and sales of those for LCD polarization plates expanded.

In the can coatings (finishes) segment, sales continued to be weak in Japan due to poor weather conditions from summer to autumn, although sales of eco-friendly type products increased in North America.

As a result, net sales in the overall Polymers and Coatings Related Business stood at 49,146 million yen (up 0.9% year on year), and operating profit fell to 4,371 million yen (down 0.6% year on year).

(iii) Packaging Materials Related Business

Although domestic sales of gravure inks for construction materials remained flat from the previous year, in addition to a continued fall in domestic demand for gravure inks for publication, sales of those for the packaging of food and drinks, mainly for private brands and convenience stores, remained firm. Above all, sales of biomass inks grew strongly. Overseas, sales of eco-friendly type products expanded in Southeast Asia and India, while sales did not grow much in China.

Following a sharp rise in raw material prices from the previous fiscal year in Japan and overseas, the Group systematically promoted cost reductions and shifted some of the higher costs onto sales prices.

In the gravure cylinder platemaking segment, sales of those for packaging grew at a sluggish pace, but sales from precision plate-making related to electronics expanded.

As a result, net sales of the overall Packaging Materials Related Business increased to 50,505 million yen (up 1.0% year on year), and operating profit also rose to 2,017 million yen (up 93.8% year on year).

(iv) Printing and Information Related Business

Given the shrinking domestic information-related print market associated with the progress of digitization, the Group strongly sought to optimize its business scale by product, facilitate collaboration with other companies in the same trade, and reduce costs in Japan, while bolstering sales overseas by expanding its global bases, which resulted in the advancement of sales expansion in India and South America. In addition, the Group promoted sales expansion in the growing African market by establishing a sales company in Morocco. The development and sales expansion of highly sensitive UV ink using leading-edge technology and other products such as inkjet ink for on-demand printing also made progress.

However, domestic demand for offset inks for the commercial printing of circulars and other materials, as well as existing information publications including newspapers and magazines, declined more than expected. In addition, the rising prices of raw materials, mainly due to the supply shortage associated with environmental regulations, also put a squeeze on profits. In this environment, the Group undertook revisions of sales prices.

As a result, net sales in the overall Printing and Information Related Business decreased to 57,290 million yen (down 1.1% year on year), and operating profit fell to 135 million yen (down 81.2% year on year).

(v) Others

This segment covers businesses not included in the above segments and services provided mainly by TOYO INK SC HOLDINGS CO., LTD. Net sales increased to 5,474 million yen (up 8.4% year on year), but operating profit fell to 263 million yen (down 70.9% year on year) due to an increase in expenses for global system integration and retirement benefit expenses.

(2) Details of financial position

The Company adopted the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28 issued on February 16, 2018), etc. at the beginning of the first quarter of the current fiscal year, and in the details of financial position, a comparison with the previous consolidated fiscal year and an analysis are carried out using the values after the said Standard, etc. are applied retrospectively.

Total assets at the end of the third quarter of the current fiscal year stood at 356,275 million yen, down 15,335 million yen from the end of the previous consolidated fiscal year. Liabilities were 140,569 million yen, down 9,949 million yen from the end of the previous consolidated fiscal year. Net assets came to 215,705 million yen, down 5,386 million yen from the end of the previous consolidated fiscal year.

On the last day of the third quarter of the current fiscal year, the exchange value of the yen rose above its level on the last day of the previous consolidated fiscal year. As a result, assets and liabilities held by overseas subsidiaries and foreign currency translation adjustments fell. In the meantime, investment securities, deferred tax liabilities, and a valuation difference on available-for-sale securities each fell, reflecting decreased stock prices.

(3) Information on the consolidated earnings forecasts and other future forecasts

With respect to the financial results for the fiscal year ending December 31, 2019, sales and profits are growing more slowly than initially expected, mainly due to higher material prices associated with environmental restrictions, in addition to weak market conditions in China and those for high-performance products resulting from the trade friction between the United States and China. Given this situation, the Company has decided to revise the full-year consolidated earnings forecasts announced on February 14, 2019. Details are as follows.

Revisions to full-year consolidated earnings forecasts for the fiscal year ending December 31, 2019
(January 1, 2019 – December 31, 2019)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share (Basic)
	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	300,000	17,500	18,000	12,000	205.51
Revised forecasts (B)	280,000	13,300	13,500	8,500	145.57
Changes (B-A)	-20,000	-4,200	-4,500	-3,500	–
Changes (%)	-6.7	-24.0	-25.0	-29.2	–
(Reference) Results for the previous year (Fiscal year ended December 31, 2018)	290,208	15,276	15,429	11,847	202.93

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated balance sheet

(Million yen)

	End of the previous consolidated fiscal year (As of December 31, 2018)	End of the consolidated third quarter accounting period (As of September 30, 2019)
(Assets)		
Current assets		
Cash and deposits	52,706	49,766
Notes and accounts receivable - trade	95,553	86,941
Securities	43	15
Merchandise and finished goods	29,873	29,312
Work in process	1,034	1,685
Raw materials and supplies	17,872	16,992
Other	6,744	4,900
Allowance for doubtful accounts	-765	-772
Total current assets	203,063	188,841
Non-current assets		
Property, plant and equipment		
Buildings and structures	98,588	98,001
Accumulated depreciation	-61,760	-62,601
Buildings and structures, net	36,828	35,399
Machinery, equipment and vehicles	149,386	149,699
Accumulated depreciation	-127,551	-128,423
Machinery, equipment and vehicles, net	21,834	21,275
Tools, furniture and fixtures	24,249	24,624
Accumulated depreciation	-21,527	-21,700
Tools, furniture and fixtures, net	2,722	2,923
Land	30,272	30,107
Leased assets	678	4,850
Accumulated depreciation	-542	-857
Leased assets, net	136	3,993
Construction in progress	2,219	3,812
Total property, plant and equipment	94,013	97,511
Intangible assets	4,649	4,385
Investments and other assets		
Investment securities	58,302	55,525
Net defined benefit asset	6,423	6,678
Deferred tax assets	2,163	2,247
Other	3,228	1,279
Allowance for doubtful accounts	-234	-193
Total investments and other assets	69,883	65,536
Total non-current assets	168,547	167,434
Total assets	371,610	356,275

(Million yen)

	End of the previous consolidated fiscal year (As of December 31, 2018)	End of the consolidated third quarter accounting period (As of September 30, 2019)
(Liabilities)		
Current liabilities		
Notes and accounts payable - trade	62,460	51,626
Short-term loans payable	20,593	32,418
Income taxes payable	1,470	864
Provision for environmental measures	884	–
Other	15,429	16,954
Total current liabilities	100,839	101,863
Non-current liabilities		
Long-term loans payable	38,845	26,527
Deferred tax liabilities	7,847	7,142
Provision for environmental measures	538	2,359
Net defined benefit liability	1,784	1,797
Asset retirement obligations	30	30
Other	632	847
Total non-current liabilities	49,679	38,706
Total liabilities	150,518	140,569
(Net assets)		
Shareholders' equity		
Capital stock	31,733	31,733
Capital surplus	32,500	32,500
Retained earnings	143,379	143,533
Treasury shares	-5,012	-4,994
Total shareholders' equity	202,600	202,773
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,888	10,300
Foreign currency translation adjustment	-1,513	-4,980
Remeasurements of defined benefit plans	1,195	1,258
Total accumulated other comprehensive income	11,570	6,577
Subscription rights to shares	248	285
Non-controlling interests	6,671	6,068
Total net assets	221,091	215,705
Total liabilities and net assets	371,610	356,275

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

Consolidated first three quarters		(Million yen)	
	Previous first three quarters (From January 1, 2018 to September 30, 2018)	First three quarters under review (From January 1, 2019 to September 30, 2019)	
Net sales	213,474	209,456	
Cost of sales	167,380	164,815	
Gross profit	46,093	44,641	
Selling, general and administrative expenses			
Packing and transportation expenses	4,988	5,280	
Salaries and allowances	8,777	8,758	
Bonuses	2,100	2,012	
Welfare expenses	2,290	2,254	
Depreciation	1,337	1,380	
Research and development expenses	2,371	2,437	
Other	13,312	13,021	
Total selling, general and administrative expenses	35,178	35,146	
Operating profit	10,915	9,495	
Non-operating income			
Interest income	159	154	
Dividend income	747	727	
Share of profit of entities accounted for using equity method	155	–	
Other	508	361	
Total non-operating income	1,570	1,243	
Non-operating expenses			
Interest expenses	555	482	
Foreign exchange losses	860	309	
Share of profit of entities accounted for using equity method	–	11	
Other	262	325	
Total non-operating expenses	1,679	1,128	
Ordinary profit	10,807	9,609	
Extraordinary income			
Gain on sales of non-current assets	868	27	
Gain on sales of investment securities	489	1,323	
Total extraordinary income	1,357	1,350	
Extraordinary losses			
Loss on sales and retirement of non-current assets	243	120	
Fire loss	92	–	
Provision for environmental measures	–	2,688	
Other	3	294	
Total extraordinary losses	338	3,102	
Profit before income taxes	11,825	7,858	
Income taxes - current	3,268	2,363	
Income taxes - deferred	-199	-171	
Total income taxes	3,068	2,191	
Profit	8,757	5,666	
Profit attributable to non-controlling interests	338	255	
Profit attributable to owners of parent	8,418	5,410	

Consolidated statements of comprehensive income

Consolidated first three quarters	(Million yen)	
	Previous first three quarters (From January 1, 2018 to September 30, 2018)	First three quarters under review (From January 1, 2019 to September 30, 2019)
Profit	8,757	5,666
Other comprehensive income		
Valuation difference on available-for-sale securities	-2,266	-1,593
Foreign currency translation adjustment	-3,979	-3,735
Remeasurements of defined benefit plans, net of tax	-24	62
Share of other comprehensive income of entities accounted for using equity method	-116	-133
Total other comprehensive income	-6,386	-5,399
Comprehensive income	2,370	267
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,439	418
Comprehensive income attributable to non-controlling interests	-68	-150

(3) Notes to consolidated quarterly financial statements

(Notes on assumption of going business)

Not applicable

(Notes on significant changes in the amount of shareholders' equity)

Not applicable

(Changes in accounting policies)

(Adoption of IFRS 16 Leases)

Overseas consolidated subsidiaries other than those in the United States have adopted IFRS 16 Leases in the first quarter, and the Company has adopted a method of recognizing the cumulative effect of applying the Standard on the day of the initial application, which is permitted as a transitional measure.

As a result, lease assets, "Other" of current liabilities, and "Other" of non-current liabilities increased 3,894 million yen, 615 million yen, and 368 million yen, respectively, while "Other" of investments and other assets decreased 2,916 million yen at the end of the third quarter of the current fiscal year. The impact on profit and loss and per-share information in the first three quarters under review is minor.

(Changes in accounting policies that are difficult to differentiate from accounting estimates)

(Changes in the depreciation method of property, plant and equipment)

While the Company and its consolidated subsidiaries in Japan previously used the declining-balance method (however, the straight-line method for buildings (excluding facilities attached to buildings) acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016) as the depreciation method of property, plant and equipment (excluding lease assets), the Company has changed to the straight-line method from the first quarter.

The Group conducts business activities by positioning the medium-term management plan "SIC-I" starting from fiscal 2018 as a period when the Group will build its foundation for sustainable growth, and closely examines the actual utilization and operational status of the production facilities it owns once again in the process of strengthening the global production system amid the rising overseas sales ratio.

As a result, it has been discovered that the long-term stable operation of the domestic production facilities of the Group is expected in general, given that investments are made primarily for their renewal and higher efficiency associated with the shift to the global production and sales systems by changing the focus on Japan in its effort to promote the review and revitalization of domestic and overseas bases and build the global manufacturing network. For this reason, the Group has decided that it is more appropriate to change the depreciation method of property, plant and equipment in Japan to the straight-line method.

As a result of this change, operating profit, ordinary profit and profit before income taxes each increased 688 million yen in the first three quarters under review in comparison with the previous method.

The impact of this change on the segments is stated in (Segment information, etc.).

(Additional information)

(Adoption of "Partial Amendments to Accounting Standard for Tax Effect Accounting," etc.)

The Company adopted the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28 issued on February 16, 2018), etc. at the beginning of the first quarter of the current fiscal year. As a result, deferred tax assets are presented in investments and other assets, and deferred tax liabilities are presented in non-current liabilities.

(Segment information, etc.)

I. From January 1, 2018 to September 30, 2018

1. Information on net sales and profits or losses by reported segment

(Million yen)

	Reported segments					Others (Note) 1	Total	Adjustment (Note) 2	Amount recorded in consolidated statements of income (Note) 3
	Colorants and Functional Materials Related Business	Polymers and Coatings Related Business	Packaging Materials Related Business	Printing and Information Related Business	Total				
Net sales									
Sales to customers	53,824	48,641	49,423	57,870	209,760	3,713	213,474	–	213,474
Intersegment sales	1,686	63	579	31	2,360	1,338	3,699	-3,699	–
Total	55,510	48,705	50,003	57,902	212,121	5,052	217,173	-3,699	213,474
Segment profits	3,833	4,397	1,040	723	9,994	907	10,902	13	10,915

(Notes) 1. The “Others” segment comprises business segments that are not included in the reportable segments, which include sales of raw materials, other profit-earning business activities carried out by the Company as a parent, and delivery of services.

2. An adjustment of 13 million yen in segment profits mainly represents the deduction of intersegment transactions.
3. Segment profits have been adjusted with operating profit recorded in the consolidated quarterly income statement.

II. From January 1, 2019 to September 30, 2019

1. Information on net sales and profits or losses by reported segment

(Million yen)

	Reported segments					Others (Note) 1	Total	Adjustment (Note) 2	Amount recorded in consolidated statements of income (Note) 3
	Colorants and Functional Materials Related Business	Polymers and Coatings Related Business	Packaging Materials Related Business	Printing and Information Related Business	Total				
Net sales									
Sales to customers	49,413	48,967	49,942	57,259	205,582	3,874	209,456	–	209,456
Intersegment sales	1,700	179	563	30	2,473	1,600	4,073	-4,073	–
Total	51,114	49,146	50,505	57,290	208,056	5,474	213,530	-4,073	209,456
Segment profits	2,725	4,371	2,017	135	9,249	263	9,512	-17	9,495

(Notes) 1. The “Others” segment comprises business segments that are not included in the reportable segments, which include sales of raw materials, other profit-earning business activities carried out by the Company as a parent, and delivery of services.

2. An adjustment of -17 million yen in segment profits mainly represents the deduction of intersegment transactions.
3. Segment profits have been adjusted with operating profit recorded in the consolidated quarterly income statement.

2. Matters concerning changes in reportable segments

(Changes in the depreciation method of property, plant and equipment)

As stated in (Changes in accounting policies that are difficult to differentiate from accounting estimates), while the Company and its consolidated subsidiaries in Japan previously used the declining-balance method (the straight-line method for buildings [excluding facilities attached to buildings] acquired on or after April 1, 1998 and facilities attached to buildings and structures acquired on or after April 1, 2016) as the depreciation method of property, plant and equipment (excluding lease assets), the Company has changed to the straight-line method from the first quarter.

As a result of this change, segment profits in the first three quarters under review increased 227 million yen in the Colorants and Functional Materials Business, 152 million yen in the Polymers and Coatings Related Business, 142 million yen in the Packaging Materials Business, 97 million yen in the Printing and Information Business and 69 million yen in Other Business in comparison with profits based on the previous method.