

December 13, 2019

To All Shareholders and Stakeholders:

Company Name: Toyo Ink SC Holdings Co., Ltd.
Representative: Katsumi Kitagawa,
President and Representative Director
Stock Code: 4634; Tokyo Stock Exchange First Section
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Notice of Partial Correction to Consolidated Financial Results for the First Three Quarters of the Fiscal Year Ending December 31, 2018

Toyo Ink SC Holdings Co., Ltd. (the “Company”) hereby announces that it has made partial corrections to its consolidated financial results (Japanese accounting standards) for the First Three Quarters of the Fiscal Year Ending December 31, 2018, which were announced on November 9, 2018.

1. Details of and reason for the corrections

The details of and reasons for the corrections are described in the “Notice of Partial Corrections to Consolidated Financial Results for Past Fiscal Years” dated December 13, 2019.

2. Corrected areas

Because the corrections are numerous, a full report reflecting the corrections is attached with the corrected areas underlined.

Consolidated Quarterly Financial Results (Japanese Accounting Standards) for the First Three Quarters of the Fiscal Year Ending December 31, 2018

November 9, 2018

Name of Listed Company: TOYO INK SC HOLDINGS CO., LTD. Listings: Tokyo Stock Exchange
 Code: 4634 URL: <http://schr.toyoinkgroup.com>
 Representative: Katsumi Kitagawa, President, CEO
 Contact: Hiroya Aoyama, Senior Managing Director, CFO Tel: +81-3-3272-5731
 Scheduled date of submission of quarterly report: November 14, 2018
 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 2018 ending December 31, 2018

(From January 1, 2018 to September 30, 2018)

(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 2018	213,474	–	<u>10,915</u>	–	<u>10,807</u>	–	<u>8,418</u>	–
First Three Quarters, Fiscal 2017	–	–	–	–	–	–	–	–

(Note) Comprehensive income: First three quarters, fiscal 2018: 2,370 million yen (–%)
 First three quarters, fiscal 2017: – million yen (–%)

	Profit per share (Basic)	Profit per share (Diluted)
	Yen	Yen
First Three Quarters, Fiscal 2018	<u>144.19</u>	<u>144.01</u>
First Three Quarters, Fiscal 2017	–	–

* 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 current 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, it did not prepare any financial statements for the first three quarters of the previous fiscal year. Therefore, neither consolidated quarterly business results for the same period of the previous fiscal year (the first three quarters) nor increases/decreases from the year-ago quarter in percentages are presented.

[Reference]

The following percentages (increase-decrease rates after adjustment) are calculated by comparison with the results for the same period of the previous year (from January 1, 2017 to September 30, 2017) corresponding to the first three quarters under review (from January 1, 2018 to September 30, 2018).

(Million yen)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
First Three Quarters, Fiscal 2018	213,474	3.3%	<u>10,915</u>	-28.9%	<u>10,807</u>	-31.8%	<u>8,418</u>	-36.8%

(2) Financial position

	Total assets		Net assets		Net worth/Total assets	
	Million yen	%	Million yen	%	Million yen	%
First Three Quarters, Fiscal 2018	<u>380,083</u>		<u>225,907</u>			<u>57.6</u>
Fiscal 2017	<u>378,459</u>		<u>228,384</u>			<u>58.5</u>

(Note) Net worth: First three quarters, fiscal 2018: 219,116 million yen
 Fiscal 2017: 221,450 million yen

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2017	–	8.00	–	8.00	16.00
Fiscal 2018	–	8.00	–		
Fiscal 2018 (Forecast)				45.00	–

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

* For the (forecast) year-end dividend per share for the fiscal year ending 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. When the stock consolidation is not taken into consideration, the (forecast) year-end dividend per share for the fiscal year ending December 31, 2018 is 9 yen and the annual dividends per share are 17 yen. For details, please see “Explanations about the proper use of financial forecasts and other important notes” below.

3. Forecasts for the year ending December 31, 2018 (From January 1, 2018 to December 31, 2018)

(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	300,000	—	18,500	—	18,500	—	13,500	—	231.23

(Note) Revision to consolidated business performance forecasts published most recently: No

* Of the consolidated business performance forecasts for the fiscal year ending December 31, 2018 on a full-year basis, profit per share reflects the impact of the stock consolidation. For details, please see “Explanations about the proper use of financial forecasts and other important notes” below.

With regard to the fiscal year ended December 31, 2017, the consolidated fiscal year of the Company and its domestic consolidated subsidiaries whose fiscal year-end date had been March 31 was the nine-month period from April 1, 2017 to December 31, 2017. For this reason, the report does not indicate percentage changes from the previous fiscal year and from the same period of the previous fiscal year.

[Reference]

The following percentages (increase-decrease rates after adjustment) are calculated by comparing the results for twelve months (from January 1, 2017 to December 31, 2017) of the previous fiscal year of the Company and its domestic subsidiaries with the forecasts for the fiscal year under review.

(Million yen)									
	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		
Full-year	300,000	7.1%	18,500	<u>-9.6%</u>	18,500	<u>-13.0%</u>	13,500		<u>-8.3%</u>

* 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: No
- (ii) Changes in accounting policies other than (i): No
- (iii) Changes in accounting estimates: No
- (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 2018: 60,621,744 shares
 - Fiscal 2017: 60,621,744 shares
- (ii) Numbers of treasury shares at the end of the terms:
 - First three quarters, fiscal 2018: 2,237,558 shares
 - Fiscal 2017: 2,235,880 shares
- (iii) Average numbers of shares issued during the terms (consolidated accumulation periods):
 - First three quarters, fiscal 2018: 58,384,326 shares
 - First three quarters, fiscal 2017: — 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 number of shares issued at the end of the term, the number of treasury shares at the end of the term, and the average numbers of shares issued during the term 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, it did not prepare any financial statements for the first three quarters of the previous fiscal year. Therefore, average numbers of shares issued during the terms (consolidated accumulation periods) are not presented.

* 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, 2018” on page 5 of the accompanying materials.

2. The Company conducted a consolidation of common stock at the ratio of five to one (5:1) effective as of July 1, 2018, as the proposal for the stock consolidation was approved at the 180th Ordinary General Meeting of Shareholders held on March 27, 2018. In this regard, the dividend forecasts and consolidated business performance forecasts for the fiscal year ending December 31, 2018 based on the conversion before taking the stock consolidation into consideration are as shown below.

(1) Dividend forecasts for the fiscal year ending December 31, 2018

Dividends per share 8.00 yen at the end of the second quarter (Note 1) 9.00 yen at the end of the fiscal year (Note 2)

(2) Consolidated business performance forecasts for the fiscal year ending December 31, 2018

Profit per share Full year: 46.25 yen

(Note 1) Dividends at the end of the second quarter will be paid according to the number of shares before the stock consolidation is conducted.

(Note 2) This dividend amount is based on the conversion before taking the stock consolidation into consideration.

(Note 3) The annual dividends (before taking the stock consolidation into consideration) for the fiscal year ending December 31, 2018 are 17 yen.

3. Supplementary documents for financial results will be posted on the Company’s website on November 9, 2018 (Friday).

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1. Qualitative Information on Financial Results, etc., for the First Three Quarters Ended September 30, 2018

From the previous fiscal year, the Company and its domestic subsidiaries changed their fiscal year-end from March 31 to December 31, which is the same as that of its overseas subsidiaries. Accordingly, the report on the business position during the first three quarters under review covers the period from January 1 to September 30, 2018 for both the domestic companies and the overseas companies. The comparison with the results for the same period of the previous fiscal year uses data from the same period of the previous year that have been adjusted to the period corresponding to the first three quarters under review.

(1) Details of operating results

(Million yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
First nine months of the fiscal year ending December 31, 2018	213,474	<u>10,915</u>	<u>10,807</u>	<u>8,418</u>
First nine months of the fiscal year ended December 31, 2017 (Adjusted)	206,673	<u>15,351</u>	<u>15,856</u>	<u>13,312</u>
Growth rate after adjustment (%)	3.3	<u>-28.9</u>	<u>-31.8</u>	<u>-36.8</u>
First nine months of the fiscal year ended December 31, 2017	—	—	—	—

(Note) 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, it did not prepare any consolidated financial statements for the first nine months of the fiscal year ended December 31, 2017. Therefore, operating results for the first nine months of the fiscal year ended December 31, 2017 are not presented.

During the first three quarters of the consolidated fiscal year under review, the U.S. economy continued to recover on the back of strong personal consumption. In China and other countries in Asia, growth continued, although the pace of growth slowed. However, concern regarding an economic downturn due to the situation in the Middle East, trade friction and other political risks is increasing. In Japan, there is a growing sense of stagnation, partly due to the series of natural disasters that occurred, despite the trend of economic recovery.

In this business environment, the Toyo Ink Group conducted business under the following policies: “implementation of business expansion by prompt product development and provision of value by capturing hidden needs in the market in advance,” “realization of securing and increasing profits through an overall review of processing, production process, materials and manufacturing” and “implementation of structural reforms of management resources and staff functions toward sustainable growth.”

Consequently, net sales for the first three quarters under review increased to 213,474 million yen (up 3.3% year on year). Profits fell, however, mainly due to a sharp rise in the prices of raw materials with operating profit of 10,915 million yen (down 28.9% year on year), ordinary profit of 10,807 million yen (down 31.8% year on year), and profit attributable to owners of parent of 8,418 million yen (down 36.8% year on year).

Results by segment are as follows:

(Million yen)

	Net sales			Operating profit		
	Previous first three quarters (adjusted)	Current first three quarters	Adjusted change (%)	Previous first three quarters (adjusted)	Current first three quarters	Adjusted change (%)
Colorants and Functional Materials Related Business	53,098	55,510	4.5	<u>5,176</u>	<u>3,833</u>	<u>-25.9</u>
Polymers and Coatings Related Business	46,679	48,705	4.3	5,663	4,397	-22.4
Packaging Materials Related Business	46,641	50,003	7.2	1,915	1,040	-45.7
Printing and Information Related Business	59,822	57,902	-3.2	1,696	723	-57.4
Other	4,726	5,052	6.9	901	907	0.7
Subtotal	210,967	217,173	2.9	<u>15,353</u>	<u>10,902</u>	<u>-29.0</u>
Adjustment	-4,294	-3,699	-	-1	13	-
Total consolidated	206,673	213,474	3.3	<u>15,351</u>	<u>10,915</u>	<u>-28.9</u>

(i) Colorants and Functional Materials Related Business

Sales of high-function pigments and materials for LCD color filters did not grow much in Japan, partly because of the closure of the production lines of customers. In China, Taiwan and South Korea, however, their sales were strong driven by the demand for large, high-definition TV sets. Meanwhile, profits were squeezed due to the stronger demand for the reduction of costs for parts and materials, while the competition over the price for LCD panels intensified with the market changes.

Sales of commodity-type pigments, particularly those for automobile coatings, expanded although those for printing inks for publications, among other applications, were sluggish. Meanwhile, the sharp rise in the prices of raw materials, mainly caused by a supply shortage associated with environmental regulations, put a significant squeeze on profits, leading to revisions to selling prices.

While domestic sales of plastic colorants for containers were strong, those for building materials were weak. Overseas sales of plastic colorants for office equipment in Southeast Asia were strong, and sales increased for those for displays in South Korea.

As a result, net sales in the overall Colorants and Functional Materials Related Business rose to 55,510 million yen (up 4.5% year on year) and operating profit was 3,833 million yen (down 25.9% year on year).

(ii) Polymers and Coatings Related Business

In the coating materials segment, sales of conducting adhesive sheets for smartphones directed at China and South Korea and adhesive films for displays were strong.

In the adhesives segment, domestic sales of those for use in the packaging of food and drinks and other products grow much, and sales of those for use in lithium-ion batteries also grew. In the overseas business, sales expansion advanced in Southeast Asia and India. However, the sharp rise in the prices of raw materials caused mainly by the rise in the oil price put a squeeze on profits, leading to revisions to selling prices. In the adhesive compounds segment, while sales of those for displays expanded in South Korea and China, sales of those for use in labels, the mainstay product in the domestic business, did not grow much initially, and the sharp rise in the prices of raw materials put a squeeze on profits.

Sales of can coatings (finishers) for coffee cans remained weak in Japan and did not grow much in Southeast Asia, although sales of eco-friendly type products expanded in Europe and America.

As a result, net sales in the overall Polymers and Coatings Related Business stood at 48,705 million yen (up 4.3%

year on year), and operating profit fell to 4,397 million yen (down 22.4% year on year).

(iii) Packaging Materials Related Business

Although domestic demand for gravure inks for publication continued to decline, domestic sales of mainstay gravure inks for packaging mainly for private brand applications and convenience stores were strong. Domestic sales of gravure inks for construction materials were also strong, and sales of solvents also grew. However, the sharp rise in the prices of raw materials, mainly caused by the rise in the oil price, put a squeeze on profits beyond self-efforts, leading to revisions to selling prices.

Overseas sales of eco-friendly type products also increased in China, Southeast Asia, South Korea and Turkey. However, the sharp rise in the prices of raw materials put a squeeze on profits.

In the gravure cylinder platemaking segment, sales were sluggish for packaging, but sales from precision plate-making related to electronics expanded.

As a result, net sales in the overall Packaging Materials Related Business increased to 50,003 million yen (up 7.2% year on year) and operating profit decreased to 1,040 million yen (down 45.7% 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 sought to optimize its business scale by product 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 Turkey. Meanwhile, the Group focused on the development and sale of highly sensitive UV ink using leading-edge technology and other products such as inkjet ink for on-demand printing and the increase of the linkage among different businesses, thereby facilitating business growth.

However, domestic demand for offset inks for the commercial printing of circulars and other materials, existing information publications including newspapers and magazines, and related materials remained weaker than expected. In addition, the rise in the prices of raw materials also put a squeeze on profits.

As a result, both net sales and operating profit in the overall Printing and Information Related Business decreased. Net sales amounted to 57,902 million yen (down 3.2% year on year) and operating profit was 723 million yen (down 57.4% year on year).

(v) Others

This segment covers business not included in the above segments and services provided mainly by TOYO INK SC HOLDINGS CO., LTD. Net sales increased to 5,052 million yen (up 6.9% year on year). However, operating profits remained almost on a par with the level in the same period of the previous year, to 907 million yen (up 0.7% year on year), mainly due to a decrease in rent income of real estate from companies of the Group.

(2) Details of financial position

Total assets at the end of the first three quarters under review stood at 380,083 million yen, up 1,624 million yen from the end of the previous consolidated fiscal year. Liabilities were 154,176 million yen, up 4,100 million yen from the end of the previous consolidated fiscal year. Net assets came to 225,907 million yen, down 2,476 million yen from the end of the previous consolidated fiscal year.

On the last day of the first three quarters under review, 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. On the other hand, notes and accounts payable - trade increased due to the impact of a sharp rise in the prices of raw materials.

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

The Company has not revised its consolidated financial forecast for the full year ending December 31, 2018, which was announced on August 10, 2018.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated balance sheet

(Million yen)

	End of the previous consolidated fiscal year (As of December 31, 2017)	End of the consolidated first three quarters accounting period (As of September 30, 2018)
(Assets)		
Current assets		
Cash and deposits	50,260	52,896
Notes and accounts receivable - trade	94,594	93,601
Securities	477	42
Merchandise and finished goods	<u>29,477</u>	<u>29,460</u>
Work in process	1,103	<u>1,627</u>
Raw materials and supplies	<u>16,085</u>	<u>17,587</u>
Deferred tax assets	1,380	1,658
Other	3,220	4,865
Allowance for doubtful accounts	-993	-889
Total current assets	<u>195,606</u>	<u>200,850</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	<u>98,901</u>	<u>99,004</u>
Accumulated depreciation	<u>-60,139</u>	<u>-61,455</u>
Buildings and structures, net	<u>38,762</u>	<u>37,548</u>
Machinery, equipment and vehicles	<u>149,060</u>	<u>149,299</u>
Accumulated depreciation	<u>-125,954</u>	<u>-127,314</u>
Machinery, equipment and vehicles, net	<u>23,105</u>	<u>21,985</u>
Tools, furniture and fixtures	<u>23,974</u>	<u>24,465</u>
Accumulated depreciation	<u>-21,329</u>	<u>-21,555</u>
Tools, furniture and fixtures, net	<u>2,644</u>	<u>2,910</u>
Land	30,007	30,283
Leased assets	669	689
Accumulated depreciation	-481	-531
Leased assets, net	187	158
Construction in progress	2,373	2,649
Total property, plant and equipment	<u>97,081</u>	<u>95,535</u>
Intangible assets	4,307	4,102
Investments and other assets		
Investment securities	68,541	65,832
Net defined benefit asset	8,614	9,130
Deferred tax assets	1,068	1,521
Other	3,671	3,358
Allowance for doubtful accounts	-432	-247
Total investments and other assets	<u>81,463</u>	<u>79,595</u>
Total non-current assets	<u>182,853</u>	<u>179,233</u>
Total assets	<u>378,459</u>	<u>380,083</u>

(Million yen)

	End of the previous consolidated fiscal year (As of December 31, 2017)	End of the consolidated first three quarters accounting period (As of September 30, 2018)
(Liabilities)		
Current liabilities		
Notes and accounts payable – trade	56,129	60,862
Short-term loans payable	22,507	21,469
Income taxes payable	1,485	1,414
Other	14,685	15,982
Total current liabilities	<u>94,808</u>	<u>99,728</u>
Non-current liabilities		
Long-term loans payable	38,409	38,893
Deferred tax liabilities	11,641	11,334
Provision for environmental measures	2,349	1,424
Net defined benefit liability	1,868	1,909
Asset retirement obligations	29	30
Other	968	854
Total non-current liabilities	<u>55,267</u>	<u>54,447</u>
Total liabilities	<u>150,075</u>	<u>154,176</u>
(Net assets)		
Shareholders' equity		
Capital stock	31,733	31,733
Capital surplus	32,710	32,615
Retained earnings	136,202	139,949
Treasury shares	-5,002	-5,010
Total shareholders' equity	<u>195,642</u>	<u>199,288</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,284	17,016
Foreign currency translation adjustment	3,299	-387
Remeasurements of defined benefit plans	3,223	3,199
Total accumulated other comprehensive income	<u>25,807</u>	<u>19,828</u>
Subscription rights to shares	164	248
Non-controlling interests	6,768	6,541
Total net assets	<u>228,384</u>	<u>225,907</u>
Total liabilities and net assets	<u>378,459</u>	<u>380,083</u>

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

Consolidated statements of income

Consolidated first three quarters	(Million yen)
	First three quarters under review (From January 1, 2018 to September 30, 2018)
Net sales	213,474
Cost of sales	<u>167,380</u>
Gross profit	<u>46,093</u>
Selling, general and administrative expenses	
Packing and transportation expenses	4,988
Salaries and allowances	8,777
Bonuses	2,100
Welfare expenses	2,290
Depreciation	<u>1,337</u>
Research and development expenses	2,371
Other	13,312
Total selling, general and administrative expenses	<u>35,178</u>
Operating profit	<u>10,915</u>
Non-operating income	
Interest income	159
Dividend income	747
Share of profit of entities accounted for using equity method	155
Other	508
Total non-operating income	<u>1,570</u>
Non-operating expenses	
Interest expenses	<u>555</u>
Foreign exchange losses	860
Other	262
Total non-operating expenses	<u>1,679</u>
Ordinary profit	<u>10,807</u>
Extraordinary income	
Gain on sales of non-current assets	868
Gain on sales of investment securities	489
Total extraordinary income	<u>1,357</u>
Extraordinary losses	
Loss on sales and retirement of non-current assets	243
Fire loss	92
Other	3
Total extraordinary losses	338
Profit before income taxes	<u>11,825</u>
Income taxes - current	3,268
Income taxes - deferred	-199
Total income taxes	3,068
Profit	<u>8,757</u>
Profit attributable to non-controlling interests	<u>338</u>
Profit attributable to owners of parent	<u>8,418</u>

Consolidated statements of comprehensive income

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

(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

(Segment information, etc.)

From January 1, 2018 to September 30, 2018

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	<u>3,833</u>	4,397	1,040	723	<u>9,994</u>	907	<u>10,902</u>	13	<u>10,915</u>

(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.