

**Summary of Consolidated Financial Results for the Third Quarter
of the Fiscal Year Ending March 31, 2022
(Nine Months Ended December 31, 2021)**

[Japanese GAAP]

January 31, 2022

Company name: QUICK CO., LTD.

Listing: First Section, Tokyo Stock Exchange

Stock code: 4318

URL: <https://919.jp/>

Representative: Tsutomu Wano, Chairman

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Scheduled date of filing of Quarterly Report:

February 10, 2022

Scheduled date of payment of dividend:

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Preparation of supplementary materials for quarterly financial results: None

Holding of quarterly financial results meeting:

None

(All amounts are rounded down to the nearest million yen.)

**1. Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2022
(April 1, 2021 – December 31, 2021)**

(1) Consolidated results of operations (Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Dec. 31, 2021	17,569	20.9	3,238	85.5	3,276	70.9	2,284	72.2
Nine months ended Dec. 31, 2020	14,534	-	1,745	-	1,916	-	1,326	-

Note: Comprehensive income (millions of yen) Nine months ended Dec. 31, 2021: 2,636 (up 61.5%)
Nine months ended Dec. 31, 2020: 1,632 (-%)

	Net income per share		Diluted net income per share	
	Yen		Yen	
Nine months ended Dec. 31, 2021	121.25		-	
Nine months ended Dec. 31, 2020	70.43		-	

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020). All figures for the nine months ended December 31, 2020 have been adjusted retroactively to conform with this accounting standard. Accordingly, the year-on-year changes for the nine months ended December 31, 2020 are not presented.

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Dec. 31, 2021	17,061	12,457	73.0	661.27
As of Mar. 31, 2021	15,103	10,687	70.7	567.24

Reference: Shareholders' equity (millions of yen) As of Dec. 31, 2021: 12,456 As of Mar. 31, 2021: 10,685

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). All figures as of March 31, 2021 have been adjusted retroactively to conform with this accounting standard.

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2021	-	18.00	-	26.00	44.00
Fiscal year ending Mar. 31, 2022	-	20.00	-		
Fiscal year ending Mar. 31, 2022 (forecast)				28.00	48.00

Note: Revisions to the most recently announced dividend forecast: Yes

Note: Breakdown of dividend for the fiscal year ended Mar. 31, 2021

2Q-end: Ordinary dividend: 12.00 yen; Commemorative dividend: 6.00 yen

Year-end: Ordinary dividend: 20.00 yen; Commemorative dividend: 6.00 yen

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2022 (April 1, 2021 – March 31, 2022)

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	23,390	20.8	3,257	74.5	3,300	55.4	2,246	53.5	119.23

Note: Revisions to the most recently announced consolidated earnings forecast: Yes

Note: Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020). The percentages that represent year-on-year changes of the full year earnings forecast for the fiscal year ending March 31, 2022 are the figures compared with those for the full year earnings results for the fiscal year ended March 31, 2021 that have been adjusted retrospectively to conform with the said accounting standard.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): None

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: Yes

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

As of Dec. 31, 2021:	19,098,576 shares	As of Mar. 31, 2021:	19,098,576 shares
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2) Number of treasury shares at the end of the period

As of Dec. 31, 2021:	261,301 shares	As of Mar. 31, 2021:	261,173 shares
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3) Average number of shares outstanding during the period

Nine months ended Dec. 31, 2021:	18,837,322 shares	Nine months ended Dec. 31, 2020:	18,837,403 shares
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* The current quarterly financial report is not subject to quarterly review by certified public accountants or accounting firms.

* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts and forward-looking statements in these materials are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. These materials are not promises by the Company regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 4 of the attachments "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements."

1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

During the first nine months of the fiscal year ending March 31, 2022, with COVID-19 vaccines becoming widely available, the number of new cases decreased and the state of emergency measures were lifted, which eased restrictions on activities. Consequently, the Japanese economy showed signs of a rebound mainly on the back of resuming economic activities and recovering consumer spending. However, the economic outlook remains uncertain because the omicron variant has fueled new cases since December 2021, which reminds us of the possibility of the repeated resurgence of infection.

Meanwhile, in Japan's labor market, the seasonally adjusted job openings-to-applicants ratio was 1.15 and the seasonally adjusted unemployment rate was 2.8% in November 2021, suggesting that a seesawing trend continues.

Under such business environment, the Group worked on differentiating the QUICK Group from competitors and increasing customer satisfaction by helping our client companies to solve their HR related problems by expanding operations in new strategic market sectors and strengthening coordination between the group companies. Furthermore, the Group strengthened the business base by restructuring the sales structure in order to boost the performance.

As a result, we achieved sales and earnings growth, both reaching all-time highs. Net sales increased 20.9% year-on-year to 17,569 million yen, operating profit increased 85.5% year-on-year to 3,238 million yen, ordinary profit increased 70.9% year-on-year to 3,276 million yen, and profit attributable to owners of parent increased 72.2% year-on-year to 2,284 million yen.

Performance of the business segments is described as follows.

Beginning with the first quarter of the fiscal year ending March 31, 2022, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and other pronouncements (hereinafter collectively, the "Accounting Standards"). Therefore, comparisons and analysis were made using the figures that were adjusted reflecting the retrospective application of the Accounting Standards.

In addition, the Company changed the classification of its reportable segments in the previous fiscal year. The following year-on-year comparisons are based on the figures for the same period of the previous fiscal year, which have been reclassified to reflect the new segment classifications.

(Human Resources Services Business)

1) Personnel Placement

In the personnel placement category, with the fifth wave of the pandemic calming down, recruiting needs remained robust mainly in the construction, electrical equipment, machinery and pharmaceutical industries. In addition, recruiting appetite started to come back in the automobile industry although it had been subdued due to a decreased production amid a shortage of semiconductors and delay in parts supply from Southeast Asian countries. Meanwhile, recruiting needs for nurses remained high in medical institutions, nursing homes and others. Given this business environment, the personnel placement business for specific fields targeting construction and pharmaceutical related categories, various types of engineers as well as nurses placement grew favorably. Those were the major results of our efforts including having more meetings with our client companies and registrants who wish to change careers, focusing on selected categories and providing an extensive support responsive to changes in the market.

2) Temporary Staffing, Temporary-to-Permanent Staffing, and Business Contracting

In the temporary staffing, temporary-to-permanent staffing and business contracting categories, in addition to lasting strong hiring needs for nurses at medical and welfare category, the needs for vaccination-related staff as well as call center and other COVID-19-related staff contributed to the steady performance of temporary staffing

of nurses. Meanwhile, robust demand for the temporary staffing of childcare workers expanded the performance. Overall, sales of the Human Resources Service Business increased 20.5% year-on-year to 12,218 million yen and operating profit also increased 36.3% year-on-year to 2,897 million yen.

(Recruiting Business)

In the Recruiting Business, as the lifting of the state of emergency in October 2021 substantially boosted recruiting needs of restaurant, distribution and service businesses that had suspended their recruiting activities, in the mid-career hiring category, continuous customer development and strengthened sales activities steadily increased the volume of our focus “Indeed” business. Furthermore, the volume of other recruiting advertisements for full-time employees and part-time workers was favorable thanks to improving recruiting needs. The volume of recruiting advertisements for potential registrants for temporary staffing expanded steadily as well. On the other hand, the performance of the new college graduate category remained roughly on par.

In addition, services other than the handling of recruiting advertisement also posted a higher revenue. This was thanks to the addition of support services for recruiting activities of client companies mainly by offering a consultation on new graduate and mid-career recruiting strategy, proposing online internship programs and providing training programs for recruiters through Jump Co., Ltd., which joined the Group in June 2020.

Overall, sales of the Recruiting Business increased 30.2% year-on-year to 1,900 million yen and operating profit was 287 million yen, compared with a loss of 14 million yen in the same period of the previous fiscal year.

(Information Publishing Business)

In the Information Publishing Business, the sales promotion sentiment of our client companies came back to the recovery track after quasi-emergency measures were lifted in Ishikawa and Toyama prefectures in September 2021, which increased the advertisement placements for sales promotion and events. In addition, increasing recruiting needs for the busy year-end and new-year period pushed up the volume of recruiting advertisements, which contributed to the solid performance of lifestyle information magazines. “Indeed” also remained strong.

Meanwhile, posting services including flyers distributed to households with lifestyle information magazines benefitted from recovering sales promotion sentiment of our client companies, and the volume of flyers in Kanazawa, Toyama and Takaoka areas increased. Hence, the services grew steadily.

Furthermore, the concierge services we operate under the “cococolor” brand continued to perform well as all the domains of career change, housing and bridal achieved revenue increase.

Overall, sales of the Information Publishing Business increased 15.6% year-on-year to 1,581 million yen and operating profit increased 225.5% to 177 million yen.

(IT and Internet-Related Business)

In the IT & Internet-Related Business category, “Nihon no Jinjibu” (Japan’s Human Resources Department) related service has experienced drastic changes in the environment surrounding our client companies due to the pandemic. Responding to such changes, more and more companies are showing interests in better business efficiency, labor saving, IT introduction, and even engagement enhancement for improving motivation and retention of employees. Additionally, business conditions of recruiting and HR development-related companies were recovering. As a result, we achieved a substantial increase in advertising revenues from “Nihon no Jinjibu”—our portal website for personnel and labor relations. Furthermore, the online HR related event, “Nihon no Jinjibu HR Conference 2021-Fall-” held in November 2021 hit a record high in revenue as well as in the number of exhibitors, which contributed to higher sales and earnings of “Nihon no Jinjibu” related services.

As for the system development category, a gradual recovery of system investment spurred the competition for acquiring development engineers to meet such demands. With this in mind, we made every effort to proactively solicit new projects including those from existing customers and secure human resources for development projects by leveraging our engineers in the learning business. As a result, the operating performance remained

strong. Meanwhile, the learning field posted decreased revenue. Specifically, our sales force strengthened the promotion of customized training programs in order to satisfy growing training needs of companies that would like to make up for the shortage of engineers in the job market, and we started vocational training courses and organized group trainings as a certified training organization under the Support System for Job Seekers by the Ministry of Health, Labour and Health. However, the pandemic forced us to struggle to attract participants.

Overall, sales of the IT and Internet-Related Business increased 18.8% year-on-year to 1,182 million yen and operating profit also increased 82.3% year-on-year to 435 million yen.

(Overseas Business)

In North and Central America (notably in the U.S. and Mexico), reflecting a continued improvement in hiring sentiment following the recovery of the economic environment, the U.S. operations enjoyed favorable personnel placement business and put the temporary staffing business back on a recovery track. However, in Mexico, the personnel placement business posted a revenue decrease due to a drop in corporate recruiting needs because the supply chain disruption and the semiconductor shortage caused by the pandemic worsened the economic environment.

In Asia (notably in China, Vietnam, and Thailand), the strengthened sales activities for key client companies generated revenue growth in the personnel placement business in China even though economic recovery has slowed down partly due to a localized lockdown under the zero-COVID policy, stagnant production activities associated with power supply limitation, and declining consumer spending. In addition, personnel and labor consulting business remained on track, enjoying new orders for education/training services on top of strong advisory services. In Vietnam, the pandemic-induced lockdown limited our sales activities, and the deteriorating economic environment discouraged corporate hiring sentiment and forced companies to suspend their recruiting activities. As a result, the personnel placement business reported a decrease in revenue. In Thailand, despite a lockdown, the personnel placement business achieved a year-on-year increase in revenue as a result of the efforts to strengthen promotional activities to approach Chinese and Taiwanese companies, the U.S. and European countries, and Thai local companies.

In the U.K., economic activities were being normalized after the lifting of lockdown measures in July 2021, with the number of new cases seesawing. Against this backdrop, corporate recruiting demand continued to increase as some companies started recruiting talent in anticipation of the post-COVID-19 economy. Accordingly, the personnel placement services as well as temporary staffing services performed well.

The Company's Global Business Division also give sales supports to overseas companies and worked on promoting the international career change supports (Cross Border Recruitment services) to attract more local registrants who want to change careers, and supporting other activities.

Overall, sales of the Other Businesses increased 19.7% year-on-year to 687 million yen and operating profit was 24 million yen, compared with a loss of 68 million yen in the same period of the previous fiscal year.

(2) Explanation of Financial Position

Total assets at the end of the third quarter of the fiscal year under review were 17,061 million yen, which was 1,958 million yen more than at the end of the previous fiscal year. This was mainly the result of increases in cash and deposits and investment securities.

Total liabilities were 4,603 million yen, which was 187 million yen more than at the end of the previous fiscal year. This was mainly the result of increases in income taxes payable, accrued consumption taxes and deferred tax liabilities despite decreases in accounts payable-trade and short-term borrowings.

Total net assets were 12,457 million yen, which was 1,770 million yen more than at the end of the previous fiscal year. This was mainly the result of an increase in retained earnings due to the booking of profit attributable to owners of parent. The shareholders' equity ratio improved 2.3 percentage points from the end of the previous fiscal year to 73.0%.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-looking Statements

As a result of reviewing the results of operations for the first nine months of the current fiscal year and the future outlook, we have revised the full-year consolidated earnings forecasts for the fiscal year ending March 31, 2022, which were announced in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2021 (Japanese GAAP)” on April 28, 2021.

For more information, please refer to the press release “Notice of Revisions to the Earnings Forecast and Year-end Dividend Forecast (Dividend Increase)” announced today (Japanese version only).

2. Quarterly Consolidated Financial Statements and Notes**(1) Quarterly Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/21 (As of Mar. 31, 2021)	Third quarter of FY3/22 (As of Dec. 31, 2021)
Assets		
Current assets		
Cash and deposits	8,151,779	9,642,660
Notes and accounts receivable-trade	1,989,492	1,803,304
Other	324,936	329,363
Allowance for doubtful accounts	(2,397)	(2,110)
Total current assets	10,463,810	11,773,218
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	835,006	800,199
Vehicles, net	2,242	2,236
Tools, furniture and fixtures, net	99,159	79,097
Land	276,869	276,869
Leased assets, net	8,244	6,323
Construction in progress	-	45,000
Total property, plant and equipment	1,221,521	1,209,725
Intangible assets		
Software	629,824	833,908
Software in progress	127,079	80,451
Goodwill	69,517	61,977
Other	10,659	10,659
Total intangible assets	837,080	986,997
Investments and other assets		
Investment securities	1,732,291	2,207,118
Leasehold deposits	685,835	681,985
Deferred tax assets	105,202	93,827
Other	62,336	116,307
Allowance for doubtful accounts	(4,318)	(7,390)
Total investments and other assets	2,581,347	3,091,848
Total non-current assets	4,639,949	5,288,571
Total assets	15,103,760	17,061,789

	(Thousands of yen)	
	FY3/21 (As of Mar. 31, 2021)	Third quarter of FY3/22 (As of Dec. 31, 2021)
Liabilities		
Current liabilities		
Accounts payable-trade	492,089	347,080
Short-term borrowings	299,957	194,000
Accounts payable-other	1,088,965	1,054,287
Accrued expenses	544,457	686,205
Income taxes payable	331,134	665,656
Accrued consumption taxes	284,294	449,968
Provision for bonuses	594,263	497,784
Provision for bonuses for directors (and other officers)	35,310	-
Asset retirement obligations	570	2,261
Other	418,942	206,830
Total current liabilities	4,089,986	4,104,074
Non-current liabilities		
Deferred tax liabilities	210,889	393,769
Asset retirement obligations	98,856	98,407
Other	16,541	7,569
Total non-current liabilities	326,287	499,746
Total liabilities	4,416,273	4,603,821
Net assets		
Shareholders' equity		
Share capital	351,317	351,317
Capital surplus	391,392	391,392
Retained earnings	8,879,353	10,296,863
Treasury shares	(16,005)	(16,171)
Total shareholders' equity	9,606,057	11,023,401
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,092,767	1,419,444
Foreign currency translation adjustment	(13,579)	13,622
Total accumulated other comprehensive income	1,079,188	1,433,067
Non-controlling interests	2,241	1,500
Total net assets	10,687,486	12,457,968
Total liabilities and net assets	15,103,760	17,061,789

(2) Quarterly Consolidated Statements of Income and Comprehensive Income**Quarterly Consolidated Statement of Income****(For the Nine-month Period)**

	(Thousands of yen)	
	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)	First nine months of FY3/22 (Apr. 1, 2021 – Dec. 31, 2021)
Net sales	14,534,289	17,569,917
Cost of sales	5,296,744	6,010,860
Gross profit	9,237,544	11,559,057
Selling, general and administrative expenses	7,491,804	8,320,558
Operating profit	1,745,740	3,238,499
Non-operating income		
Interest income	1,335	1,177
Dividend income	8,785	8,044
Subsidy income	155,376	7,759
Other	12,878	24,357
Total non-operating income	178,376	41,338
Non-operating expenses		
Interest expenses	3,663	1,728
Foreign exchange losses	3,532	1,871
Other	66	66
Total non-operating expenses	7,262	3,665
Ordinary profit	1,916,854	3,276,172
Extraordinary income		
Gain on sale of non-current assets	1,580	-
Total extraordinary income	1,580	-
Extraordinary losses		
Loss on sale of non-current assets	227	-
Loss on retirement of non-current assets	55	782
Office relocation expenses	7,569	-
Total extraordinary losses	7,852	782
Profit before income taxes	1,910,582	3,275,390
Income taxes-current	463,059	941,792
Income taxes-deferred	123,601	51,403
Total income taxes	586,661	993,195
Profit	1,323,920	2,282,194
Loss attributable to non-controlling interests	(2,834)	(1,834)
Profit attributable to owners of parent	1,326,755	2,284,028

Quarterly Consolidated Statement of Comprehensive Income**(For the Nine-month Period)**

(Thousands of yen)

	First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)	First nine months of FY3/22 (Apr. 1, 2021 – Dec. 31, 2021)
Profit	1,323,920	2,282,194
Other comprehensive income		
Valuation difference on available-for-sale securities	326,121	326,676
Foreign currency translation adjustment	(17,147)	27,957
Total other comprehensive income	308,974	354,634
Comprehensive income	1,632,895	2,636,829
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,634,873	2,637,907
Comprehensive income attributable to non-controlling interests	(1,978)	(1,078)

(3) Notes to Quarterly Consolidated Financial Statements**Segment Information**

I. First nine months of FY3/21 (Apr. 1, 2020 – Dec. 31, 2020)

1. Information pertaining to net sales and profit/loss in reportable segments and disaggregated revenue (Thousands of yen)

	Reportable Segment						Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	IT & Internet-Related Business	Overseas Business (Note 3)	Total		
Net sales								
Revenue from contracts with customers	10,136,524	1,459,976	1,368,109	995,286	574,391	14,534,289	-	14,534,289
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	10,136,524	1,459,976	1,368,109	995,286	574,391	14,534,289	-	14,534,289
Inter-segment sales and transfers	3,857	8,107	5,846	61,295	668	79,775	(79,775)	-
Total	10,140,382	1,468,084	1,373,956	1,056,581	575,060	14,614,064	(79,775)	14,534,289
Segment profit (loss)	2,125,649	(14,826)	54,607	239,007	(68,883)	2,335,555	(589,815)	1,745,740

Notes: 1. The (589,815) thousand yen adjustment to segment profit (loss) includes elimination for inter-segment transactions of 84,254 thousand yen, and (674,069) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

2. Segment profit (loss) is adjusted with operating profit shown on the quarterly consolidated statement of income.

3. Countries and regions included in the Overseas Business are Japan, U.S. China, Mexico, U.K., Vietnam and Thailand.

2. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

II. First nine months of FY3/22 (Apr. 1, 2021 – Dec. 31, 2021)

1. Information pertaining to net sales and profit/loss in reportable segments and disaggregated revenue (Thousands of yen)

	Reportable Segment						Adjustment (Note 1)	Amount in the quarterly consolidated statement of income (Note 2)
	Human Resources Services Business	Recruiting Business	Information Publishing Business	IT & Internet-Related Business	Overseas Business (Note 3)	Total		
Net sales								
Revenue from contracts with customers	12,218,172	1,900,166	1,581,855	1,182,149	687,573	17,569,917	-	17,569,917
Other revenue	-	-	-	-	-	-	-	-
Sales to external customers	12,218,172	1,900,166	1,581,855	1,182,149	687,573	17,569,917	-	17,569,917
Inter-segment sales and transfers	208	10,129	5,302	70,533	-	86,173	(86,173)	-
Total	12,218,380	1,910,296	1,587,157	1,252,682	687,573	17,656,091	(86,173)	17,569,917
Segment profit	2,897,977	287,397	177,760	435,791	24,208	3,823,135	(584,636)	3,238,499

Notes: 1. The (584,636) thousand yen adjustment to segment profit includes elimination for inter-segment transactions of 96,802 thousand yen, and (681,439) thousand yen in company-wide costs that cannot be allocated to any specific reportable segments. Company-wide costs consist primarily of expenses related to the administration division which are not attributable to any reportable segments, including general affairs and accounting at the Company.

2. Segment profit is adjusted with operating profit shown on the quarterly consolidated statement of income.

3. Countries and regions included in the Overseas Business are Japan, U.S. China, Mexico, U.K., Vietnam and Thailand.

2. Information related to revisions for reportable segments

(Revisions for reportable segments)

In the previous fiscal year, the Company conducted revisions for reportable segments. Accordingly, the segment information for the first nine months of FY3/21 are reported based on the reportable segment categories after the revision.

(Changes in accounting policies)

Beginning with the first quarter of FY3/22, the Company has applied Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020) and changed the method of accounting for the revenue recognition and measuring profit and loss in reportable segment.

Also, the segment information for the first nine months of FY3/21 are reported using the method of measuring profit and loss after the change.

3. Information pertaining to impairment losses of non-current assets, goodwill, etc. in reportable segments

Not applicable.

This summary report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.