



Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2021 [Japanese GAAP]

January 28, 2021

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 Stock code: 3167 URL: <https://tokaiholdings.co.jp>
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 Supplementary materials on quarterly financial results: Yes
 Quarterly financial results briefing: No

(Figures are rounded to the nearest million yen)

1. Consolidated Financial Results for the Nine-months Ended December 31, 2020 (April 1, 2020 to December 31, 2020)

(1) Consolidated Operating Results (cumulative)

(% figures represent year-on-year changes)

	Sales		Operating Profit		Recurring Profit		Quarterly Net Income Attributable to Owners of the Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine-months Ended December 31, 2020	139,792	-1.2	9,901	6.7	9,929	4.8	5,936	16.3
Nine months Ended December 31, 2019	141,557	2.6	9,278	31.8	9,478	30.8	5,103	28.6

(Note) Comprehensive income: 8,538 million yen in the Nine-months Ended December 31, 2020 (53.0%)
 5,579 million yen in the Nine months Ended December 31, 2019 (199.3%)

	Quarterly Net Income per Share	Quarterly Net Income per Share (Diluted)
	Yen	Yen
Nine-months Ended December 31, 2020	45.33	-
Nine months Ended December 31, 2019	38.97	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
Nine-months Ended December 31, 2020	172,946	70,841	40.1
Year ended March 31, 2020	169,972	65,982	38.0

(Reference) Equity: 69,335 million yen for the Nine-months Ended December 31, 2020
 64,596 million yen for the year ended March 31, 2020

2. Dividends

	Annual Dividend				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ending March 31, 2020	—	14.00	—	14.00	28.00
Year ending March 31, 2021	—	14.00	—	—	—
Year ending March 31, 2021 (Forecast)	—	—	—	14.00	28.00

(Note) Revisions to most recently announced dividend forecasts: No

3. Consolidated Earnings Forecasts for the Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)
 (% figures represent year-on-year changes)

	Sales		Operating Profit		Recurring Profit		Net Income Attributable to Owners of the Parent		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2021	205,300	4.8	15,000	5.5	14,870	2.7	8,460	2.7	64.60

(Note) Revisions to most recently announced earnings forecasts: No

*Notes

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries affecting the scope of consolidation): No

(2) Application of special accounting procedures in the preparation of quarterly consolidated financial statements: No

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

1) Changes in accounting policies accompanying revisions in accounting standards, etc. : No

2) Changes in accounting policies other than 1) : No

3) Changes in accounting estimates : No

4) Restatements : No

(4) Number of shares issued (common stock)

1) Shares issued at the end of each period (including treasury stock):

Q3 FY3/2021	139,679,977 shares	FY3/2020	139,679,977 shares
Q3 FY3/2021	8,713,304 shares	FY3/2020	8,722,345 shares
Q3 FY3/2021	130,962,791 shares	Q3 FY3/2020	130,945,891 shares

2) Number of shares of treasury stock at the end of each period:

3) Average number of shares during the period (cumulative):

(Note) Board benefit trust shares(BBT) is included in the number of year-end treasury stock.(391,300 stocks at Q3 FY3/2021, 400,700 stocks at FY3/2020) And the company shares held in ESOP trust accounts are included in the treasury stock, which is subtracted from calculations of the average number of shares during the period (395,436 shares for the Nine-months Ended December 31, 2020; 405,144 shares for the Nine months Ended December 31, 2019).

* Quarterly financial results not covered by quarterly review

* Explanation regarding the Appropriate Uses of Earnings Forecasts and Other Notes

All earnings forecasts provided within this document are based on the most accurate information available at the time of the release of this document. Actual results may differ from forecasts due to various factors going forward.

[Attachment]

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1. Qualitative Information on Financial Results for the Period Under Review

(1) Explanation of Consolidated Operating Performance

In the first nine months of the fiscal year ending March 31, 2021, the Japanese economy deteriorated rapidly as the novel coronavirus (COVID-19) pandemic caused stagnation in economic activity. Signs of improvement in personal consumption continue to be seen thanks primarily to various economic measures taken by the government in response to the pandemic. However, future outlook remains extremely uncertain due in part to the January 2021 declaration of an additional state of emergency in response to a third wave of COVID-19 infections.

Under these conditions, the TOKAI Group is setting into motion the fourth and final year of its medium-term management plan, Innovation Plan 2020 “JUMP.” When conducting sales activities, we have implemented meticulous and careful measures that prioritize COVID-19 counterstrategies, customer and employee safety and security, and infection prevention. In tandem with these efforts, we have established new points of contact with customers by proactively adopting indirect sales methods that do not involve in-person meetings, including online business meetings and transmission of information. As a result, continuing customers had risen to 3,063,000 as of December 31, 2020, up 60,000 compared to its level on March 31, 2020. Meanwhile, TLC Membership Service members numbered 958,000, up 62,000.

As a result of these circumstances, the Group recorded sales of 139,792 million yen (-1.2% year on year) in the nine months ended December 31, 2020. The decline in sales occurred despite an increase in customer count due in part to a decrease in gas selling prices associated with a drop in procurement prices and lower renovation and facility equipment sales resulting from the COVID-19 pandemic. Meanwhile, all profit lines increased and achieved record-highs for the third consecutive year, thanks primarily to a rise in customer count; operating profit was 9,901 million yen (+6.7% year on year), recurring profit was 9,929 million yen (+4.8% year on year), and net income attributable to owners of the parent finished at 5,936 million yen (+16.3% year on year).

The Group is aiming to expand its earnings base by broadening its business area. During the nine months ended December 31, 2020, we pursued this target by establishing new sales bases for the LP gas business in Kasugai, Aichi Prefecture and Yokkaichi, Mie Prefecture in June 2020. Through our Construction, Equipment, and Real Estate segment, we acquired shares in Chuo Denki Koji Co., Ltd., an electrical construction company in Nagoya, Aichi Prefecture, and converted it into a consolidated subsidiary in August 2020. Later, in November of the same year, we added another consolidated subsidiary by acquiring shares in building maintenance business operator Inoue Technica Co., Ltd., which is located in Numazu, Shizuoka Prefecture. Moving forward, the Group will expand its operations by branching off into new areas and broadening its business domains. In addition to this move, we converted MIEN TRUNG GAS JOINT STOCK COMPANY and V-GAS PETROLEUM CORPORATION, two companies located in the Socialist Republic of Vietnam, into equity-method affiliates and successfully entered the Vietnamese LP gas market.

Performance by segment is indicated below. Effective from the start of the fiscal year ending March 31, 2021, we have changed the names of our reportable segments as follows: the “Gas and Petroleum” segment has become the “Energy” segment, and the “Building and Real Estate” segment has been renamed the “Construction, Equipment, and Real Estate” segment. These name changes do not accompany any impact on segment performance.

(Energy)

In the LP gas business, despite restrictions on in-person sales activities, customer count rose by 24,000 during the nine months ended December 31, 2020, reaching 676,000 customers thanks to the application of telemarketing and online sales activities. Notwithstanding the rise in customer count, sales declined to 45,135 million yen (-1.1% year on year) due to a decrease in selling prices linked with a drop in procurement prices and a lower volume of commercial gas sold.

In the city gas business, the number of customers was 61,000, mostly unchanged from its level as of March 31, 2020. However, sales fell to 8,301 million yen (-13.3% year on year) due in part to the same decline in selling prices (associated with the gas rate adjustment system) that affected the LP gas business.

As a result, segment sales were 53,437 million yen (-3.2% year on year) and segment operating profit was 2,996 million yen

(+38.9% year on year).

(Construction, Equipment, and Real Estate)

In the Construction, Equipment, and Real Estate segment, sales were 14,815 million yen (-0.7% year on year) and operating profit came to 539 million yen (-24.0% year on year). The decline in performance was primarily due to lower renovation and facility equipment sales resulting from a delay in sales activities caused by the COVID-19 pandemic.

(CATV)

Through its CATV business, the Group carefully and steadily maintained its sales activities in accordance with the actual circumstances facing each region as a community-based service provider amid the COVID-19 crisis. As a result, our broadcasting services customer count increased to 871,000, up 10,000 from its level as of March 31, 2020, and our communications services customer count rose by 25,000 to 317,000.

Consequently, segment sales amounted to 24,994 million yen (+6.7% year on year) and segment operating profit was 3,740 million yen (+9.0% year on year).

(Information and Communications)

In the Information and Communications business for individual customers, the Group responded to intensifying competition from major mobile phone carriers and increasing communications services demand associated with the COVID-19 pandemic by enhancing set plans accompanying the Hikari Collaboration (including a high 30 GB storage capacity plan for LIBMO, a TOKAI-brand MVNO service) and acquiring customers through the Internet. Consequently, our total number of individual customers increased by a net 2,000 compared to March 31, 2020, after declining for the previous six fiscal years, and finished at 763,000 (conventional ISP customers fell by 2,000 to 711,000, and LIBMO customers rose by 4,000 to 52,000). As a result, sales were 19,801 million yen (-8.6% year on year).

Through its Information and Communications business for corporate clients, the Group achieved progress in the field of cloud services and captured demand associated with teleworking, both factors that led to recurring-revenue business expansion. As a result, sales came to 18,030 million yen (+5.0% year on year).

Due to the above factors, segment sales were 37,831 million yen (-2.6% year on year) and segment operating profit was 2,151 million yen (-11.4% year on year).

(Aqua)

The number of customers in the Aqua (bottled drinking water delivery) business was 162,000, up 1,000 from the number as of March 31, 2020 despite impact from self-imposed operational limitations at shopping malls and other commercial facilities. At the same time, the number of bottles sold per customer rose as a result of demand from consumers who refrained from going outdoors in response to the COVID-19 pandemic.

As a result, segment sales were 5,778 million yen (+3.1% year on year), but segment operating profit came to 333 million yen (-14.2% year on year), declining due primarily to a rise in logistical costs.

(Others)

Turning to other businesses, sales in the nursing care business totaled 995 million yen (+9.9% year on year) thanks to contributions from Tender Co., Ltd. (Gero, Gifu Prefecture), which became a consolidated subsidiary during the previous fiscal year. Sales in the shipbuilding business fell to 991 million yen (-5.8% year on year) as a result of a decrease in the number of vessels repaired. Sales in the bridal events business declined to 322 million yen (-68.8% year on year) due to wedding ceremony postponements and the application of self-restraint associated with the holding of banquets in response to the COVID-19 pandemic.

As a result of these factors, segment sales were 2,934 million yen (-17.9% year on year) and segment operating loss was 120 million yen (versus operating profit of 186 million yen in the same period of the previous fiscal year).

(2) Explanation of Consolidated Financial Position

1) Assets, Liabilities, and Net Assets

As of December 31, 2020, total assets amounted to 172,946 million yen, up 2,973 million yen from March 31, 2020. This increase occurred despite a 3,259 million-yen decrease in notes and accounts receivable—trade and was primarily due to an increase of 824 million yen in work in process caused mainly by a rise in the number of ongoing construction projects; a spike of 1,218 million yen in other current assets occurring mostly as a result of an increase in derivative valuations; a rise of 1,612 million yen in property, plant, and equipment resulting mainly from business acquisition; and an upturn of 1,344 million yen in the “other” account under “investments and other assets” caused primarily by the acquisition of shares in affiliated companies.

Total liabilities stood at 102,104 million yen, down 1,885 million yen compared to March 31, 2020. This decline occurred despite an increase of 2,721 million yen in long-term loans payable and was primarily due to a decrease of 1,694 million yen in income taxes payable caused mostly by the payment of income taxes; a 1,161 million-yen drop in provision for loss on litigation resulting from the settlement of legal proceedings; and a downturn of 1,584 million yen in the “other provision” account under “current liabilities” stemming mainly from the payment of bonuses.

Net assets totaled 70,841 million yen, up 4,858 million yen from March 31, 2020. This mainly reflected the booking of 5,936 million yen in net income attributable to owners of the parent and a 2,114 million yen increase in deferred gains on hedges, which were partially offset as the Company issued a 3,678 million-yen dividends of surplus.

2) Cash Flows

As of December 31, 2020, cash and cash equivalents stood at 4,912 million yen, up 866 million yen from March 31, 2020.

Cash flows from all activities during the period under review and the factors behind them are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was 19,402 million yen, up 3,925 million yen from the same period of the previous fiscal year. Cash inflows stemming primarily from net income before income taxes, a decrease in notes and accounts receivable—trade, and depreciation (a non-cash item) exceeded cash outflows caused mainly by income taxes paid and a decrease in notes and accounts payable—trade.

(Cash flows from investing activities)

Net cash used in investing activities was 14,672 million yen, up 4,989 million yen from the same period of the previous fiscal year. The primary uses of cash were the purchase of tangible and intangible assets, the purchase of shares of subsidiaries and associates, and payments for the acquisition of businesses and purchase of shares of subsidiaries resulting in changes in the Company's scope of consolidation.

(Cash flows from financing activities)

Net cash used in financing activities was 3,863 million yen, down 915 million yen from the same period of the previous fiscal year. Primary contributing factors were repayments of loans payable and lease obligations and dividend payments that exceeded proceeds from long-term loans payable.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Information

Earnings results for the nine months ended December 31, 2020 were generally in line with forecast, and the Group maintains its consolidated earnings forecast for the fiscal year ending March 31, 2021, which was announced on May 8, 2020.

The earnings forecast is based on information currently available to the Company. Actual results may differ from the forecast due to a variety of factors.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheets

	(Millions of yen)	
	Fiscal Year Ended March 31, 2020	Nine Months Ended December 31, 2020
Assets		
Current assets		
Cash and deposits	4,629	5,353
Notes and accounts receivable–trade	25,859	22,599
Merchandise and finished goods	3,679	3,918
Work in process	944	1,769
Raw materials and supplies	930	1,079
Other	8,623	9,841
Allowance for doubtful accounts	-399	-384
Total current assets	44,268	44,177
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	34,256	34,131
Machinery, equipment and vehicles, net	23,773	23,987
Land	23,068	23,862
Other, net	17,254	17,984
Total property, plant and equipment	98,353	99,966
Intangible assets		
Goodwill	5,125	5,443
Other	5,705	5,496
Total intangible assets	10,831	10,939
Investments and other assets		
Net defined benefit asset	1,601	1,622
Other	15,294	16,639
Allowance for doubtful accounts	-377	-400
Total investments and other assets	16,518	17,861
Total non-current assets	125,703	128,767
Deferred assets	1	1
Total assets	169,972	172,946

(Millions of yen)

	Fiscal Year Ended March 31, 2019	Nine Months Ended December 31, 2019
Liabilities		
Current liabilities		
Notes and accounts payable–trade	15,034	14,249
Short-term loans payable	19,921	20,339
Current portion of bonds	118	98
Income taxes payable	2,244	550
Provision for loss on litigation	1,161	—
Other provision	1,782	197
Other	20,354	20,471
Total current liabilities	60,617	55,906
Non-current liabilities		
Bonds payable	112	63
Long-term loans payable	28,121	30,843
Other provision	238	273
Net defined benefit liability	876	920
Other	14,024	14,096
Total non-current liabilities	43,372	46,197
Total liabilities	103,989	102,104
Net assets		
Shareholders' equity		
Capital stock	14,000	14,000
Capital surplus	25,542	25,542
Retained earnings	26,426	28,684
Treasury stock	-2,221	-2,219
Total shareholders' equity	63,746	66,007
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	290	849
Deferred gains (losses) on hedges	-883	1,230
Foreign currency translation adjustment	-7	-160
Remeasurement of defined benefit plans	1,449	1,408
Total accumulated other comprehensive income	848	3,327
Non-controlling interests	1,387	1,506
Total net assets	65,982	70,841
Total liabilities and net assets	169,972	172,946

(2) Quarterly Consolidated Statements of Income, Consolidated Statements of Comprehensive Income
 (Quarterly Consolidated Statements of Income)
 (Nine Months Ended December 31, 2019)

	(Millions of yen)	
	Nine Months Ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Nine Months Ended December 31, 2020 (April 1, 2020 to December 31, 2020)
Sales	141,557	139,792
Cost of sales	84,254	80,147
Gross profit	57,302	59,645
Selling, general and administrative expenses	48,024	49,743
Operating profit	9,278	9,901
Non-operating profit		
Interest income	8	8
Dividend income	191	181
Commission fee	26	22
Share of profit of entities accounted for using equity method	92	-
Other	183	246
Total non-operating profit	503	459
Non-operating expenses		
Interest expenses	229	221
Share of loss of entities accounted for using equity method	-	137
Other	74	73
Total non-operating expenses	303	432
Recurring profit	9,478	9,929
Extraordinary income		
Gain on sales of non-current assets	14	56
Gain on donation of non-current assets	-	295
Transmission line facility subsidies	96	71
Subsidy income	-	66
Gain on reversal of subscription rights to shares	263	0
Total extraordinary income	374	490
Extraordinary losses		
Loss on sales of non-current assets	3	0
Loss on retirement of non-current assets	558	467
Loss on sales of investment securities	17	0
Loss on valuation of investment securities	30	148
Provision for loss on litigation	1,150	26
Other	77	-
Total extraordinary losses	1,839	643
Quarterly net income before income taxes	8,013	9,775
Income taxes (current)	2,799	2,591
Income taxes (deferred)	-48	1,123
Total income taxes	2,751	3,715
Quarterly net income	5,262	6,060
Quarterly net income attributable to non-controlling interests	159	124
Quarterly net income attributable to owners of the parent	5,103	5,936

(Consolidated Statements of Comprehensive Income)
 (Nine Months Ended December 31, 2019)

	(Millions of yen)	
	Nine Months Ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Nine Months Ended December 31, 2020 (April 1, 2020 to December 31, 2020)
Quarterly net income	5,262	6,060
Other comprehensive income		
Valuation difference on available-for-sale securities	15	558
Deferred gains (losses) on hedges	442	2,114
Foreign currency translation adjustment	1	-2
Remeasurement of defined benefit plans, net of tax	-138	-40
Share of other comprehensive income of entities accounted for using the equity method	-5	-151
Total other comprehensive income	316	2,478
Quarterly comprehensive income	5,579	8,538
(Breakdown)		
Quarterly comprehensive income attributable to owners of the parent	5,420	8,415
Quarterly comprehensive income attributable to non- controlling interests	159	123

(3) Quarterly Consolidated Statements of Cash Flows

	(Millions of yen)	
	Nine Months Ended December 31, 2019 (April 1, 2019 to December 31, 2019)	Nine Months Ended December 31, 2020 (April 1, 2020 to December 31, 2020)
Cash flows from operating activities		
Quarterly net income before income taxes	8,013	9,775
Depreciation	10,681	10,957
Amortization of goodwill	810	909
Impairment loss	-	-1,161
Increase (decrease) in net defined benefit asset and liability	-133	-35
Interest and dividend income	-200	-190
Loss (gain) on sales of investment securities	-245	0
Interest expenses	229	221
(Gain) loss on sales of non-current assets	-10	-56
(Gain) loss on valuation of investment securities	30	148
Loss on retirement of non-current assets	558	467
Decrease (increase) in notes and accounts receivable – trade	1,990	4,229
Decrease (increase) in inventories	-804	-1,176
Increase (decrease) in notes and accounts payable – trade	-331	-836
Other	153	863
Subtotal	20,741	24,115
Income taxes paid	-5,264	-4,712
Net cash provided by (used in) operating activities	15,476	19,402
Cash flows from investing activities		
Interest and dividend income received	238	226
Purchase of securities	-10	-12
Proceeds from sales of securities	576	70
Purchase of tangible and intangible assets	-8,947	-9,965
Proceeds from sales of tangible and intangible assets	164	300
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-1,408	-1,090
Purchase of shares of subsidiaries and associates	-373	-3,013
Payments for transfer of business	-189	-1,630
Payments of loans receivable	-20	-
Collection of loans receivable	53	39
Other	-329	402
Net cash provided by (used in) investing activities	-9,683	-14,672
Cash flows from financing activities		
Interest expenses paid	-232	-224
Net increase (decrease) in short-term loans payable	3,450	-325
Repayments of lease obligations	-2,706	-3,029
Proceeds from long-term loans payable	5,420	10,736
Repayment of long-term loans payable	-6,850	-7,271
Redemption of bonds	-104	-69
Payments for acquisition of treasury stock	-1	-0
Proceeds from disposal of treasury shares	0	-
Cash dividends paid	-3,672	-3,671
Other	-82	-6
Net cash provided by (used in) financing activities	-4,779	-3,863
Effect of exchange rate change on cash and cash equivalents	-1	-0
Net increase (decrease) in cash and cash equivalents	1,013	866
Cash and cash equivalents at beginning of period	4,018	4,046
Cash and cash equivalents at end of period	5,032	4,912

(4) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Significant Changes in Shareholders' Equity)

Not applicable.

(Additional Information)

(Resolution of important legal proceedings)

On January 16, 2020, the Tokyo High Court delivered an appellate ruling regarding the damage suit and countersuit between consolidated subsidiary and plaintiff (countersuit defendant) TOKAI Communications Corporation and defendant (countersuit plaintiff) Hitachi Solutions, Ltd. In response to this ruling, TOKAI Communications Corporation filed a petition for acceptance of final appeal with the Supreme Court. However, the Supreme Court rejected this petition on October 20, 2020. Due to this decision from the Supreme Court, the appellate ruling from the Tokyo High Court, which requires TOKAI Communications Corporation to pay Hitachi Solutions, Ltd. 766 million yen in monetary damages as well as corresponding delinquent charges, will stand as final.

In the fiscal year ended March 31, 2020, the Company recorded a 1,161 million-yen provision for loss on litigation to insure against a possible finalization of the appellate ruling delivered by the Tokyo High Court on January 16, 2020. Despite this protective measure, the Company reported an extraordinary loss of 26 million yen in the first nine months of the fiscal year ending March 31, 2021 in connection with this ruling.

(Segment Information, etc.)

[Segment Information]

I. Nine Months Ended December 31, 2019 (April 1, 2019 to December 31, 2019)

Sales and Income of Losses by Reportable Segment

(Millions of yen)

	Reportable segments						Other ¹	Total	Adjustments ²	Amount in quarterly consolidated statements of Income ³
	Energy	Building equipment real estate	CATV	Information and Communications	Aqua	Subtotal				
Sales										
Sales to external customers	55,191	14,919	23,433	38,834	5,603	137,982	3,575	141,557	—	141,557
Intersegment sales and transfers	130	750	507	2,593	127	4,109	132	4,242	-4,242	—
Subtotal	55,322	15,669	23,940	41,428	5,730	142,091	3,708	145,799	-4,242	141,557
Segment income (loss)	2,156	709	3,432	2,429	389	9,117	186	9,303	-24	9,278

- (Notes) 1. The "Other" category is a business segment not included in the reportable segments. This category includes businesses such as weddings, ship repair, insurance, and nursing care.
2. Adjustments to segment income (loss) are mainly eliminations due to intersegment transactions.
3. Segment income (loss) is adjusted to match operating profit in the quarterly consolidated statements of income.

II. Nine Months Ended December 31, 2020 (April 1, 2020 to December 31, 2020)

Sales and Income of Losses by Reportable Segment

(Millions of yen)

	Reportable segments						Other ¹	Total	Adjustments ²	Amount in quarterly consolidated statements of Income ³
	Energy	Building equipment real estate	CATV	Information and Communications	Aqua	Subtotal				
Sales										
Sales to external customers	53,437	14,815	24,994	37,831	5,778	136,857	2,934	139,792	—	139,792
Intersegment sales and transfers	151	700	456	2,630	139	4,077	98	4,176	-4,176	—
Subtotal	53,588	15,516	25,450	40,461	5,917	140,935	3,033	143,969	-4,176	139,792
Segment income (loss)	2,996	539	3,740	2,151	333	9,760	-120	9,640	260	9,901

- (Notes) 1. The "Other" category is a business segment not included in the reportable segments. This category includes businesses such as weddings, ship repair, insurance, and nursing care.
2. Adjustments to segment income (loss) are mainly eliminations due to intersegment transactions.
3. Segment income (loss) is adjusted to match operating profit in the quarterly consolidated statements of income.