

This is the English translation of the original Japanese-language Business Results of DESCENTE LTD. (the Company) for the 2nd quarter of fiscal year ended March 31, 2020 and is provided for reference purposes only. Readers are advised that the Company does not guarantee the accuracy of the content contained in this report. In the event of any discrepancy between this translation and the Japanese original, the Japanese original shall prevail.

Summary of Financial Statements for the 2Q Fiscal Year Ending March 31, 2020
[Japan GAAP] (Consolidated)



November 6, 2019

Name of the Company: DESCENTE LTD.

Listed Exchange: TSE

Code No.: 8114

URL: <http://www.descente.co.jp>

Representative: Shuichi Koseki, President and Representative Director

Person responsible for inquiry: Akira Tsuchihashi, Director, Managing Executive Officer, CFO

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Date of Submission of 2Q Report: November 8, 2019

Date of Dividend Payments: -

Supplementary Financial Statements: Yes

Financial Results Briefing: Yes (For institutional investors and securities analysts)

(Note: Amounts less than one million yen are rounded down)

1. Consolidated Results for 2Q Fiscal Year 2020 (April 1, 2019 - September 30, 2019)

(1) Consolidated operating results (Percentage indicates the changes compared with the corresponding period in the previous fiscal year.)

	Net Sales		Operating Income		Ordinary Income		Quarterly profit attributable to owners of parent	
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	%
2Q FY ending March 31, 2020	65,926	(1.3)	2,638	(8.2)	2,906	(9.7)	2,210	(3.5)
2Q FY ended March 31, 2019	66,768	1.2	2,873	(15.5)	3,219	(8.1)	2,291	(6.1)

(Note) Comprehensive income: 2Q FY ending March 31, 2020: (¥134million) (- %), 2Q FY ended March 31, 2019: (¥528million) (- %)

	Quarterly net income per share	Diluted quarterly net income per share
	Yen	Yen
2Q FY ending March 31, 2020	29.31	—
2Q FY ended March 31, 2019	30.40	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Yen in millions	Yen in millions	%
2Q FY ending March 31, 2020	112,718	76,398	67.8
FY ended March 31, 2019	115,756	78,446	67.8

(reference) Equity: 2Q FY ending March 31, 2020: ¥76,398million, FY ended March 31, 2019: ¥78,446million

2. Dividends

	Annual cash dividend per share				
	End of the 1st quarter	End of the 2nd quarter	End of the 3rd quarter	End of year	Annual
	Yen	Yen	Yen	Yen	Yen
FY ended March 31, 2019	—	0.00	—	26.00	26.00
FY ending March 31, 2020	—	0.00	—	—	—
FY ending March 31, 2020 (Forecast)	—	—	—	3.00	3.00

(Note)Revisions to dividend forecasts published most recently: Yes

3. Consolidated earnings forecast for the fiscal year ending March 31, 2020 (April 1, 2019 - March 31, 2020)

(The percentages indicate the changes compared with the previous period)

	Sales		Operating income		Ordinary income		Profit attributable to owners of parent		EPS
	Yen in millions	%	Yen in millions	%	Yen in millions	%	Yen in millions	Yen	
Full-year	130,800	(8.2)	1,100	(86.1)	1,200	(85.8)	700	(82.3)	9.28

(Note)Revisions to earnings forecasts published most recently: Yes

*Notes

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

(2) Application of accounting specific to the preparation of quarterly consolidated financial statements: Yes

(Note) See Appendix page 11 "(4) Notes to Quarterly Consolidated Financial Statements" for details.

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

1. Changes in accounting policies associated with revision of accounting standards: Yes

2. Changes in accounting policies other than 1: None

3. Changes in accounting estimates: None

4. Restatement: None

(4) Number of shares issued and outstanding (common stock)

1. Number of shares issued and outstanding at the end of fiscal year (including treasury stock):	2Q FY ending Mach 31, 2020	76,924,176	FY ended March 31, 2019	76,924,176
2. Number of treasury stock at fiscal end:	2Q FY ending Mach 31, 2020	1,489,709	FY ended March 31, 2019	1,516,109
3. Average number of shares during the term:	2Q FY ending Mach 31, 2020	75,415,577	2Q FY ended March 31, 2019	75,388,058

Note: Summary of quarterly financial statement is not subject to auditing procedures by independent auditors or auditing firms.

Note: Explanation of appropriate use of business performance forecasts and other special items

(Notes on future descriptions)

Item on future descriptions such as the earnings forecasts in this document are based on the current information and certain assumptions that are considered reasonable, and actual results may vary greatly depending on various factors. Prerequisites for earnings forecast or notes for using it, please refer to "(3) Explanation of Future Forecast Information such as Consolidated Performance Forecasts" on Appendix page 4.

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1. Qualitative Information on Consolidated Performance for the 2Q of Fiscal Year 2019

(1) Explanation of Consolidated Operating Results

Net sales for 2Q FY ended March 31, 2020 was ¥65,926million (-1.3% YOY), operating income was ¥2,638million (-8.2% YOY), ordinary income was ¥2,906million (-9.7% YOY), and quarterly profit attributable to owners of parent was ¥2,210million (-3.5% YOY).

Operating Results Overviews (Sales by Segments)

Segment	Net Sales (Yen in millions) (year on year)	Segment Income or Loss (Yen in millions) (year on year)
Japan	29,301 (101.2%)	795 (78.0%)
Asia	35,632 (96.7%)	2,321 (98.3%)
Europe/Americas	993 (103.4%)	(470) Yea on year: (526)million
Adjustments	—	(8) Year on year: 17million
Total	65,926 (98.7%)	2,638 (91.8%)

(Japan)

In the athletic category, although “DESCENTE” performed well and “le coq sportif” also remained steady, “umbro” struggled. In the golf category, although “DESCENTE” performed well, “Munsingwear” struggled. As a whole of Japan, although sales increased, profits fell sharply from the previous year because of a decrease in selling price ratio and increase in selling, general and administrative expenses due to an increase in the number of directly-managed stores.

(Asia)

In South Korea, although “umbro” performed well and “DESCENTE” also remained steady, “Munsingwear” struggled. In Hong Kong and Singapore, “le coq sportif” performed well. As a whole Asia, profits were lower than the previous year due to a decrease in gross profit by sales decline.

(Europe and Americas)

As a result of “DESCENTE” and “inov-8”’s sales progressing according to the plan, gross profit in Europe and Americas as a whole has increased, and operating loss decreased slightly from the previous year

Net Sales by Item (Sales by Item)

Item	Amount (Yen in millions)	Composition Ratio (%)	Year on year (%)
Athletic wear and related products	45,065	68.4	97.3
Golf wear and related products	17,155	26.0	98.8
Outdoor wear and related products	3,705	5.6	119.2
Total	65,926	100.0	98.7

(Note) The above amounts do not include consumption tax.

(Athletic Wear and Related Products)

In the athletic category, although there were increases in sales in "DESCENTE" in Japan and in "umbro" and "le coq sportif" overseas, there were decreases in sales in "umbro" in Japan and in "DESCENTE" overseas. As a result, net sales as a whole decreased from the same quarter of the previous year.

"DESCENTE" continues to perform well, including the store of "DESCENTE BLANC" in Futakotamagawa, which was newly opened in September. Also, we started selling the brand's representative item, "Mizusawa Down Jacket" in September. Sales of new designs and the strengthening of supply systems at the Mizusawa Factory (Oshu, Iwate) of DESCENTE APPAREL LTD., our group subsidiary engaged in production, have made a smooth start.

"le coq sportif" has signed an official supplier contract with the French Rugby Federation in collaboration with le coq sportif international, which operates the brand outside Asia. Also, in connection with "Tour de France" for which our company is an official sponsor, we invited Bernard Hinault, a hero with 5 wins in total of the "Tour de France", to Japan and China for an event. Through these events, we worked to improve our brand image.

"arena" contributed to the brand appeal of contract athletes. Daiya Seto (ANA/JSS *Moroyama*) wore our swimwear "Ultimate Aqua Force" and won gold medals in the 200m and 400m individual medley, in the "18th FINA World Championships" (Gwangju, South Korea) in July.

In "umbro", we have developed football boots in Japan that are equipped with a coating material "GAINA" that provides high thermal insulation. In South Korea, we are also expanding our shoe business, with strong sales of the new Dad Sneakers "BUCKY" launched in January.

(Golf Wear and Related Products)

In the golf category, although sales increased in Japan and overseas due to continued strong sales of "DESCENTE", those in "Munsingwear" and "le coq sportif" overseas struggled. As a result, sales as a whole decreased from the same quarter of the previous year.

As a topic for all of our golf brands in Japan, the LPGA Tour "50th DESCENTE Ladies Tokai Classic" held in September jointly sponsored with Tokai Television Broadcasting Co., Ltd. This time, we have renamed the tournament from "Munsingwear Ladies Tokai Classic" to "DESCENTE Ladies Tokai Classic" and energized with our 6 golf brands. The number of visitors was about 25,000, which was the highest in 50 years, and received a lot of attention.

In "DESCENTE", a contract professional golfer, Asuka Kashiwabara, won at the LPGA Tour "Miyagi Television Cup Dunlop Women's Open Golf Tournament" held in September for the first time in her career, and contributing to the enhancement of the brand value.

As part of "le coq sportif", we supported the CLPGA Tour "le coq sportif Beijing Ladies Classic" held in China in May, and displayed our brand's logo on the event.

"Munsingwear" has celebrated the 1st anniversary of the opening of its flagship store in Ginza, Tokyo, in April. We will continue to offer golf wear as well as wear that can be worn in daily scenes, and provide a world view of the brand from this store.

As for other topics, our R&D center "DISC OSAKA" was awarded the 32nd "Nikkei New Office Promotion Award" for comfortable and functional offices. The award was given in recognition of the facility's ability to create new products and services in terms of both hardware and software. The facility features an open working space with fewer pillars and walls and a highly visible glass-walled testing room where a variety of people and information can be mixed and creative ideas can be conceived. Also, the facility encourages employees to interact with each other beyond their sections through a free address system. We will continue to develop a variety of products at two "DISCs", "DISC OSAKA" for sportswear and "DISC BUSAN" for shoes, in an effort to further improve the "craftmanship".

(2) Explanation of Consolidated Financial Position

(Analysis of Assets, Liabilities and Net Assets Conditions)

As of second quarter of FY ending March 31, 2020, total assets decreased by ¥3,037 million from the previous fiscal year to ¥112,718 million.

Current assets decreased by ¥6,510 million to ¥71,540 million. This was mainly due to a decrease of ¥2,396 million in cash and deposits, a decrease in notes and accounts receivable of ¥1,584 million and a decrease in input taxes included in other of current assets of ¥941 million.

Fixed assets increased by ¥3,472 million to ¥41,178 million. This was mainly due to an increase in right to use assets included in other of tangible fixed assets of ¥4,678 million.

Total liabilities decreased by ¥989 million to ¥36,320 million. This was mainly due to such as a decrease in notes and accounts payable of ¥3,709 million and increase in lease obligations included in other of long-term liabilities of ¥2,985 million.

Net assets decreased by ¥2,048 million to ¥76,398 million. This was mainly due to an increase in retained earnings of ¥250 million and a decrease in translation adjustments of ¥2,451 million.

As a result, the equity ratio was 67.8%, same as at the end of the previous fiscal year.

(Analysis of Cash Flow Conditions)

The balance of cash and cash equivalents at the end of the second quarter FY ended March 31, 2020 decreased by ¥2,412 million from the end of the previous fiscal year to ¥24,817 million.

Cash flow from operating activities was ¥3,474 million in excess of revenues (¥2,324 million in excess of revenue in the previous second quarter). This was mainly due to increasing factors, such as posting income before income taxes of ¥2,906 million, depreciation expenses of ¥3,027 million, and a decrease in notes and accounts receivable-trade of ¥1,257 million, despite there were decreasing factors such as decrease in notes and accounts payable of ¥3,445 million and income tax payment of ¥1,168 million.

Cash flow from investing activities was ¥1,234 million in excess of expenditures (¥4,766 million in excess of expenditures in the previous second quarter). This was mainly due to purchases of property, plant and equipment of ¥898 million.

Cash flow from financing activities was ¥3,658 million in excess of expenditures (¥2,109 million in excess of expenditures in the previous second quarter). This was mainly due to such as dividend payments of ¥1,960 million and repayment of lease obligations of ¥1,257 million.

(3) Explanation of Future Forecast Information such as Consolidated Performance Forecasts

Our group established a new medium-term management plan called "D-Summit 2021", which covers the 3 years from fiscal year 2019 to 2021. Based on our priority strategies of "Enhancing Manufacturing" "Focus on Asia" and "To improve earnings in Japan" we will continue to provide society with our unique value of "To bring the enjoyment of sports to all" and further enhance our corporate value.

We hereby announce the full-year consolidated business forecast as follows. The downturn of DESCENTE KOREA Ltd. will have a big impact on the sales, and, mainly due to that factor, we've revised our business forecast, which we announced on the 13th of May, 2019, downward. A review of selling and administration, expenses, including cutting in advertising and sales promotion expenses, will be insufficient to cover a decline in gross profit that resulted from a sharp decline in net sales. As a result, we also revised our forecast for operating income, ordinary income, and net income attributable to shareholders of the parent company downward from our previous forecast.

The dividend forecast has been revised to 3 yen, a decrease by 19 yen from the previous forecast of 22 yen per 1 share, after our deep consideration of above business forecast and dividend payout ratio, while aiming at delivering stable dividends to our shareholders as well as securing internal reserves necessary for future business development and strengthening of the management structure,

For details, please refer to "Notice of Revision of Earnings and Dividend Forecasts" announced on November 6, 2019.

Revision of Consolidated Performance Forecast for Fiscal Year ending March 31, 2020

(April 1, 2019 - March 31, 2020)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
	Yen in million	Yen in million	Yen in million	Yen in million	Yen
Previous forecast (A)	144,000	8,000	8,200	5,300	70.29
Current forecast (B)	130,800	1,100	1,200	700	9.28
Changes in Amount (B-A)	(13,200)	(6,900)	(7,000)	(4,600)	
Changes in Percent (%)	(9.2)	(86.3)	(85.4)	(86.8)	
Performance in the previous fiscal year (Fiscal year ended March, 2019)	142,443	7,935	8,458	3,944	52.31

2. Quarterly Financial Statements and Major Notes

(1) Quarterly Consolidated Balance Sheets

(Yen in millions)

	FY2018 (March 31, 2019)	2Q FY2019 (September 30, 2019)
Assets		
Current assets		
Cash and deposits	28,136	25,740
Notes and accounts receivable - trade	21,190	19,605
Merchandise and finished goods	23,860	23,143
Work in process	161	197
Raw materials and supplies	799	838
Other	4,762	2,852
Allowance for doubtful accounts	(859)	(837)
Total current assets	78,051	71,540
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,356	11,741
Other	12,554	16,644
Total current assets	24,910	28,385
Intangible assets	2,701	2,644
Investments and other assets		
Other	10,182	10,238
Allowance for doubtful accounts	(89)	(90)
Total investments and other assets	10,093	10,147
Total non-current assets	37,705	41,178
Total assets	115,756	112,718
Liabilities		
Current liabilities		
Notes and accounts payable – trade	18,448	14,739
Short-term loans payable	405	271
Current portion of long-term loans payable	254	564
Income taxes payable	1,183	750
Provision for bonuses	898	845
Provision for sales returns	883	1,050
Provision for loss on guarantees	121	121
Other	7,333	7,851
Total current liabilities	29,527	26,193
Non-current liabilities		
Long-term loans payable	4,133	3,368
Net defined benefit liability	952	1,085
Other	2,697	5,673
Total non-current liabilities	7,783	10,127
Total liabilities	37,310	36,320

(Yen in millions)

	FY2018 (March 31, 2019)	2Q FY2019 (September 30, 2019)
Net assets		
Shareholders' equity		
Capital stock	3,846	3,846
Capital surplus	25,281	25,316
Retained earnings	47,632	47,882
Treasury shares	(643)	(632)
Total shareholders' equity	76,115	76,412
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	739	804
Deferred gains or losses on hedges	(4)	16
Foreign currency translation adjustment	1,607	(844)
Remeasurements of defined benefit plans	(11)	8
Total accumulated other comprehensive income	2,330	(14)
Total net assets	78,446	76,398
Total liabilities and net assets	115,756	112,718

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
 Quarterly Consolidated Statements of Income
 Second Quarter of Fiscal Year ending March 31, 2020

(Yen in millions)

	2Q FY2018 (April 1, 2018-September 30, 2018)	2Q FY2019 (April 1, 2019-September 30, 2019)
Net Sales	66,768	65,926
Cost of sales	29,342	28,497
Gross profit	37,426	37,429
Reversal of provision for sales returns	93	167
Gross profit - net	37,332	37,262
Selling, general and administrative expenses	34,459	34,623
Operating profit	2,873	2,638
Non-operating income		
Interest income	152	186
Dividend income	72	63
Equity in earnings of affiliates	85	203
Foreign exchange gains	111	—
Other	97	103
Total non-operating income	518	556
Non-operating expenses		
Interest expense	64	150
Loss on retirement of non-current assets	82	45
Foreign exchange losses	—	91
Other	24	2
Total non-operating expenses	171	288
Ordinary profit	3,219	2,906
Profit before income taxes	3,219	2,906
Corporate tax, inhabitant tax and business tax	998	789
Income taxes – adjusted	(70)	(93)
Total income taxes	928	695
Quarterly profit	2,291	2,210
Quarterly profit attributable to owners of parent	2,291	2,210

Quarterly Consolidated Statements of Comprehensive Income
 Second Quarter of Fiscal Year ending March 31, 2020

(Yen in millions)

	2Q FY2018 (April 1, 2018-September 30, 2018)	2Q FY2019 (April 1, 2019-September 30, 2019)
Quarterly Profit	2, 291	2, 210
Other comprehensive income		
Valuation difference on available-for-sale securities	(10)	65
Deferred gains or losses on hedges	(35)	21
Foreign currency translation adjustment	(2, 732)	(2, 328)
Remeasurements of defined benefit plans, net of tax	58	19
Share of other comprehensive income of entities accounted for using equity method	(99)	(122)
Total other comprehensive income	(2, 820)	(2, 344)
Comprehensive income	(528)	(134)
(Breakdown)		
Comprehensive income attributable to owners of parent	(528)	(134)

(3) Consolidated Statements of Cash Flow

(Yen in millions)

	2Q FY2018 (April 1, 2018-September 30, 2018)	2Q FY2019 (April 1, 2019-September 30, 2019)
Cash flows from operating activities		
Profit before income taxes	3,219	2,906
Depreciation	1,709	3,027
Amortization of goodwill	59	—
Increase (decrease) in allowance for doubtful accounts	(26)	(17)
Increase (decrease) in provision for bonuses	(93)	(53)
Increase (decrease) in provision for sales returns	93	167
Increase (decrease) in net defined benefit liability	170	167
Interest and dividend income	(224)	(249)
Interest expenses	64	150
Decrease (increase) in notes and accounts receivable-trade	1,173	1,257
Decrease (increase) in inventories	332	(110)
Increase (decrease) in notes and accounts payable-trade	(2,307)	(3,445)
Other	(635)	744
Subtotal	3,535	4,543
Interest and dividend income received	224	249
Interest expenses paid	(64)	(150)
Income taxes paid	(1,370)	(1,168)
Net cash provided by (used in) operating	2,324	3,474
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	352	716
Payments into time deposits	(996)	(773)
Purchase of property, plant and equipment	(3,174)	(898)
Purchase of intangible assets	(416)	(290)
Purchase of investment securities	(99)	(5)
Payments for investments in capital of subsidiaries and associates	(178)	—
Other	(254)	18
Net cash provided by (used in) investing activities	(4,766)	(1,234)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(293)	(134)
Proceeds from long-term loans payable	10	—
Repayment of long-term loans payable	(127)	(352)
Cash dividends paid	(1,733)	(1,960)
Purchase of treasury shares	(0)	(0)
Repayment of lease obligations	(38)	(1,257)
Other	72	46
Net cash provided by (used in) financing activities	(2,109)	(3,658)
Effect of exchange rate change on cash and cash equivalents	(898)	(994)
Net increase (decrease) in cash and cash equivalents	(5,449)	(2,412)
Cash and cash equivalents at beginning of period	27,369	27,229
Cash and cash equivalents at end of period	21,920	24,817

(4) Notes to Quarterly Consolidated Financial Statements

(Going Concern Assumptions)

None

(Significant Changes in Shareholders' Equity)

None

(Application of Accounting Specific to the Preparation of Quarterly Consolidated Financial Statements)

Calculating Tax Expenses

For some consolidated subsidiaries, the tax expense is calculated by rationalizing the effective tax rate after the application of tax effect accounting to income before income taxes and minority interests for the fiscal year including the second quarter, and multiplying the net income before taxes by the estimated effective tax rate.

Income taxes of the consolidated subsidiaries are included in the corporate tax, inhabitant tax and business tax.

(Changes in Accounting Policies)

Subsidiaries applying International Financial Reporting Standards adopted International Financial Reporting Standards No. 16 "Leasing" ("IFRS 16") from the 1st quarter of this fiscal year. As a result, in principle, all leases are recognized as assets and liabilities on the balance sheet. IFRS 16 is applied on a transitional basis and the cumulative effect of the adoption of IFRS is recognized on the effective date.

As a result, "Other" of property, plant and equipment as of the end of the current 1st quarter increased by ¥4,756 million, "Other" of current liabilities increased by ¥1,615 million and "Other" of non-current liabilities increased by ¥2,991 million. The effect on profit and loss for the first quarter under review was immaterial.

(Segment Information)

I Second Quarter of Fiscal Year ended March 31, 2019 (April 1, 2018-September 30, 2018)
Information about Net Sales, Profit (Loss) by Reportable Segment

(Yen in millions)

	Reportable Segments				Adjustment (Note 1)	Amount of Shown on Consolidated Income Statements (Note 2)
	Japan	Asia	Europe/Americas	Total		
Net Sales						
Sales to External Customers	28,947	36,860	960	66,768	—	66,768
Intersegment Sales or Transfers	2,934	227	59	3,221	(3,221)	—
Total	31,881	37,088	1,020	69,990	(3,221)	66,768
Segment Income (Loss)	1,020	2,362	(526)	2,855	17	2,873

(Note 1) Segment income (loss) adjustment of ¥17 million includes intersegment transaction eliminations of ¥17 million and inventory adjustment of ¥(0) million.

(Note 2) Segment income (loss) is adjusted for operating income reported in the quarterly consolidated statements of income.

II Second Quarter of Fiscal Year ending March 31, 2020 (April 1, 2019-September 30, 2019)
Information about Net Sales, Profit (Loss) by Reportable Segment

(Yen in millions)

	Reportable Segments				Adjustment (Note 1)	Amount of Shown on Consolidated Income Statements (Note 2)
	Japan	Asia	Europe/Americas	Total		
Net Sales						
Sales to External Customers	29,301	35,632	993	65,926	—	65,926
Intersegment Sales or Transfers	3,120	253	90	3,463	(3,463)	—
Total	32,421	35,885	1,083	69,390	(3,463)	65,926
Segment Income (Loss)	795	2,321	(470)	2,647	(8)	2,638

(Note 1) Segment income (loss) adjustment of ¥(8) million includes intersegment transaction eliminations of ¥24 million and inventory adjustment of ¥(33) million.

(Note 2) Segment income (loss) is adjusted for operating income reported in the quarterly consolidated statements of income.

3. Supplemental Information

Overseas Sales

Second Quarter of Fiscal Year ended March 31, 2019 (April 1, 2018-September 30, 2018)

(Yen in millions, %)

	Asia	North America	Europe and other regions	Total
I Overseas Net Sales	37,707	303	1,357	39,368
II Consolidated Net Sales				66,768
III Percentage of overseas net sales in consolidated net sales	56.5	0.5	2.0	59.0

(Note) Net sales are based on the customer's location and classified into countries or regions.

Second Quarter of Fiscal Year ending March 31, 2020 (April 1, 2019-September 30, 2019)

(Yen in millions, %)

	Asia	North America	Europe and other regions	Total
I Overseas Net Sales	36,597	415	1,403	38,416
II Consolidated Net Sales				65,926
III Percentage of overseas net sales in consolidated net sales	55.5	0.6	2.1	58.3

(Note) Net sales are based on the customer's location and classified into countries or regions.