

Summary of Consolidated Financial Results for the Third Quarter of Fiscal Year 2019 Ending March 31, 2020
<Under Japanese GAAP>

January 30, 2020

Company Name: SEKISUI CHEMICAL CO., LTD.
 Stock Listings: Tokyo Stock Exchange
 Code Number: 4204
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 Scheduled date for submission of quarterly financial statement: February 12, 2020
 Scheduled date for payment of dividends: -
 Quarterly earnings supplementary explanatory documents: Yes
 Quarterly earnings results briefing: Yes

(Figures rounded down to the nearest million yen)

1. Consolidated Business Results for the Third Quarter (April 1, 2019 to December 31, 2019)

(1) Consolidated Business Results (% change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of the Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2019 (First 9 months)	823,307	-0.7	58,197	-2.2	59,534	0.4	40,090	-4.5
FY2018 (First 9 months)	829,036	4.7	59,519	-4.6	59,322	-7.7	41,999	-5.2

Note. Comprehensive Income: December 31, 2019: 51,657 million yen (93.4%), December 31, 2018: 26,708 million yen (-61.2%)

	Net Income Attributable to Owners of the Parent per Share	Net Income Attributable to Owners of the Parent per Share (Diluted)
	yen	yen
FY2019 (First 9 months)	87.08	87.06
FY2018 (First 9 months)	89.96	89.89

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity to Total Assets
	Millions of yen	Millions of yen	%
3rd Q of FY2019	1,132,445	648,563	55.0
FY2018	1,023,706	632,746	59.3

Note. Equity: December 31, 2019: 622,855 million yen, March 31, 2019: 607,123 million yen

Equity: Shareholders' Equity including Accumulated Other Comprehensive Income

2. Dividend Status

(Date of Record)	Dividend per Share				
	At the end of 1st Q	At the end of 2nd Q	At the end of 3rd Q	Year-end	Full year
	yen	yen	yen	yen	yen
FY2018	-	21.00	-	23.00	44.00
FY2019	-	23.00	-	-	-
FY2019 (outlook)	-	-	-	23.00	46.00

Note. Recent revision of dividend estimates: No

3. Consolidated Outlook for FY2019 (April 1, 2019 to March 31, 2020)

(% change from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net income Attributable to Owners of the Parent		Net income Attributable to Owners of the Parent per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
Full Year	1,150,000	0.6	97,000	1.4	97,000	4.1	67,000	1.4	146.69

Note. Recent revision of consolidated earnings estimates: Yes

Notes

- (1) Significant change of subsidiary companies during the term (change of specified subsidiaries that affected the scope of consolidated reporting): No
- (2) Application of special methods for quarterly consolidated financial statements: Yes
Note: For further details please refer to “(4) Notes to Consolidated Financial Statements” (Application of special accounting methods for the preparation of quarterly consolidated financial statements) on page 10.
- (3) Changes to the accounting policy, changes or restatements of the accounting estimates
 - a) Changes caused by revisions to accounting principles: Yes
 - b) Changes other than a): No
 - c) Amendments to accounting estimates: No
 - d) Restatements: NoNote: For further details please refer to “(4) Notes to Consolidated Financial Statements” (Changes in Accounting Policies) on page 10.
- (4) Number of shares outstanding (common stock)

a) Number of shares outstanding at the end of term (including treasury stock):	3rd Q of FY2019	484,507,285 shares
	FY2018	492,507,285 shares
b) Treasury stock at the end of term:	3rd Q of FY2019	27,771,317 shares
	FY2018	28,256,058 shares
c) Average outstanding shares in the period (quarterly consolidated cumulative total):	3rd Q of FY2019	460,394,749 shares
	3rd Q of FY2018	466,865,817 shares

Note: The Financial Instruments and Exchange Law does not require this brief announcement of the most recent financial statements to be subject to audit review.

Remarks on appropriate use of forecasted results of operation and other special matters

1. The full-year consolidated forecasts presented in this report are changed from the forecasts announced on October 30 2019.
2. The earnings forecasts and other forward-looking statements presented in this report are based on information available at the time of the report and on certain assumptions that the Company considers reasonable. Forward-looking statements in no capacity represent a guarantee that the Company will achieve the stated amounts. Various factors can cause actual results to differ materially from the forecasts. For important matters regarding the conditions associated with the assumptions of the forecasts and the appropriate use of the forecasts, please see “2. Revision to the consolidated results forecast and other forward-looking information” on page 3 of the Quarterly Financial Report (Supplementary Material).

Qualitative Information and Financial Review

1. Consolidated Business Results

(1) Group Overview (April 1 to December 31, 2019)

Net Sales: 823.3 billion yen (-0.7%), Operating Income: 58.1 billion yen (-2.2%), Ordinary Income: 59.5 billion yen (+0.4%), Net Income Attributable to Owners of the Parent: 40.0 billion yen (-4.5%)

* Figures in parentheses shows year-over-year comparisons

In the third quarter of fiscal 2019, net sales, operating income, and ordinary income are at essentially the same levels as the previous year due to steady sales of piping materials for detached houses and non-residential buildings in Japan and other factors. This is in spite of impact from factors such as a prolonged downturn in smartphone and automobile market conditions, and a trend of appreciation in the value of the yen in foreign exchange rates.

Net income attributable to owners of the parent was affected by factors such as loss on devaluation of investment in securities.

(2) Overview by Business Segments (April 1 to December 31, 2019)

[Housing]

Net Sales: 370.2 billion yen (+3.6%), Operating Income: 22.4 billion yen (+12.0%)

In the third quarter of fiscal 2019, while there were impact on capturing of visitors arising from natural disasters and a reduction in orders for rebuilding and apartment buildings due to the consumption tax rate hike, impact was kept at a minimum through the introduction of new products and measures to secure orders. Income and profits were increased based on year-start backlog higher than the previous year, leveling out sales, as well as progress in profit structure strengthening of Housing Renovation.

Regarding Housing business, effort was made to secure orders for housing from first-time buyers centered on ready-built houses. Together with the expansion in sales of smart houses centered on the new product New Smart Power Station, the nationwide introduction of experience-based showrooms, the expansion of land stock for sale and other measures to strengthen the sales system were promoted. In addition, the Asaka Lead Town was unveiled, and the town planning business that brings together the SEKISUI CHEMICAL Group's comprehensive capabilities was started in earnest. Furthermore, the condominium brand HEIM SUITE was launched.

In Housing Renovation business, net sales were higher than the same period of previous year due to expansion in sales of strategic products such as energy self sufficiency proposals centered on storage batteries. Impact was felt from the consumption tax rate hike from the second quarter, resulting in less orders being received compared to the previous year. Together with advancing the strengthening of contact points with customers, profit structure strengthening was promoted through improving efficiency. In addition, the SMARTHEIM DENKI power trading service was launched.

[Urban Infrastructure and Environmental Products]**Net Sales: 171.2 billion yen (-0.1%), Operating Income: 9.2 billion yen (+10.9%)**

In the third quarter of fiscal 2019, sales of general products struggled due to the impact from consumption tax rate hike and other factors, but sales of high prioritized products expanded smoothly, maintaining net sales at essentially the same level as the same period of the previous year. Operating income increased due to the improvement in product mix arising from increased sales of high prioritized products, setting a new record high for the third quarter.

In Piping and Infrastructure field, sales of high prioritized products were expanded in Japan for non-residential facilities and public infrastructure, and net sales in this field were higher than the same period of the previous year.

Regarding Building and Living environment field, while there was impact from low demand for apartment buildings in the first half of the fiscal year, sales expanded for new building material products and high prioritized products of prefabricated bathrooms, net sales after excluding the impact of structural reforms were essentially at the same level as the previous year.

In the field of Advanced Materials, the adoption of synthetic lumber for railway sleepers has expanded centered on Europe and the United States. Thermo plastic sheets saw steady sales for aircraft and medical use, but general products struggled, and net sales in this field were lower than the same period of the previous year.

[High Performance Plastics]**Net Sales: 241.6 billion yen (-7.1%), Operating Income: 29.6 billion yen (-14.5%)**

In the third quarter of fiscal 2019, income and profits decreased due to impact from a prolonged downturn of global market conditions.

In Electronics, net sales were lower than the previous year due to deterioration of market conditions for mobile devices such as smartphones and tablets. However, expansion in sales has made progress against a backdrop of recovery in market conditions centered on non-liquid-crystal-related products such as heat release products and joint parts related to 5G.

In Automobiles and Transportation field, net sales were lower than the same period of the previous year due to a prolonged downturn in global market conditions, such as a delay in the recovery of Europe's automobile market conditions, deceleration of the China market, and stagnation in automobile sales in the U.S. market.

To accelerate business expansion in the area of mobility materials, a stock purchase agreement was signed in June to acquire all outstanding stock in AIM Aerospace Group, which came under consolidation as SEKISUI AEROSPACE CORPORATION at the end of the third quarter of fiscal 2019.

In Building and Infrastructure field, expansion of sales in fire protection materials and non-combustible materials is making steady progress, and net sales was higher than the previous year.

In Industry, sales of general products such as tapes struggled due to impact from the consumption tax rate hike and other factors, and net sales were lower than the previous year.

* To accelerate growth, from fiscal 2019, the Medical Business has been removed from the High Performance Plastics Company to form the fourth business segment. Comparisons with the same period of the previous year are carried out by comparing the actual results of the same period of the previous year excluding the Medical Business.

[Medical]

Net Sales: 52.3 billion yen (+0.6%), Operating Income: 6.6 billion yen (-7.7%)

In the third quarter of fiscal 2019, sales of certain projects planned for this fiscal year under the pharmaceuticals & fine chemicals business have been decreased due to circumstances of the customers. However, in the mainstay diagnostics business, income increased due to steady expansion of sales both in Japan and overseas. Operating income was affected by intensive occurrence of sales promotion expenses and other costs.

2. Revision to the consolidated results forecast and other forward-looking information

Taking into consideration the impact of fluctuations in the composition of products being sold due to a prolonged downturn of overseas market conditions, exchange rates, and other factors, SEKISUI CHEMICAL has revised its consolidated results forecasts for the full fiscal year ending March 31, 2020 previously announced on October 30, 2019. Details of revised forecasts are presented in table format as follows.

	Revised Forecast	Previous Forecast (October 30, 2019)
Net Sales (millions of yen)	1,150,000	1,150,000
Operating Income (millions of yen)	97,000	100,000
Ordinary Income (millions of yen)	97,000	97,000
Net Income Attributable to Owners of the Parent (millions of yen)	67,000	67,000
Net Income Per Share (yen)	146.69	146.09

Consolidated Financial Statement (Third Quarter, Fiscal Year 2019)

(1) Consolidated Balance Sheets

(Millions of Yen)

	End Fiscal Year 2018	End Third Quarter, Fiscal 2019
	As of March 31, 2019	As of December 31, 2019
(Assets)		
Current assets		
Cash and deposits	69,882	71,649
Notes receivable, trade	44,624	45,235
Accounts receivable, trade	142,349	131,686
Marketable securities	0	0
Merchandise and finished goods	66,516	74,938
Land for sale	38,266	44,270
Work in process	53,207	63,982
Raw materials and supplies	34,198	37,889
Advance payments	1,950	1,921
Prepaid expenses	4,323	5,438
Short-term loans receivable	2,095	1,584
Other current assets	14,015	24,241
Allowance for doubtful accounts	-1,394	-1,512
Total current assets	470,037	501,326
Non-current assets		
Property, plant and equipment, net		
Buildings and structures	101,189	103,517
Machinery, equipment and vehicles	82,923	84,679
Land	78,266	80,150
Leased assets	10,357	17,908
Construction in progress	25,400	35,619
Other	11,318	12,284
Total property, plant and equipment, net	309,455	334,160
Intangible assets		
Goodwill	16,953	60,843
Software	9,612	8,936
Leased assets	175	126
Other	24,034	34,278
Total intangible assets	50,775	104,184
Investments and other assets		
Investments in securities	163,334	168,911
Long-term loans receivable	2,281	1,584
Long-term prepaid expenses	1,487	1,527
Asset for retirement benefits	202	255
Deferred tax assets	12,797	7,975
Other	15,535	13,746
Allowance for doubtful accounts	-2,200	-1,227
Total investments and other assets	193,438	192,773
Total non-current assets	553,669	631,118
Total assets	1,023,706	1,132,445

	(Millions of Yen)	
	End Fiscal Year 2018	End Third Quarter, Fiscal 2019
	As of March 31, 2019	As of December 31, 2019
(Liabilities)		
Current liabilities		
Notes payable, trade	4,268	3,300
Electronically recorded obligations	27,626	27,978
Accounts payable, trade	98,546	97,159
Short-term debt and current portion of long-term debt	7,685	24,996
Commercial paper	17,000	32,000
Current portion of bonds	16	16
Lease obligations	3,607	4,906
Accrued expenses	41,400	42,634
Accrued income taxes and other taxes	10,968	13,517
Allowance for bonuses to employees	17,918	9,931
Allowance for bonuses to directors and audit and supervisory board members	272	232
Provision for compensation for completed construction	1,311	1,391
Provision for stock-based compensation	133	124
Advances received	43,069	51,978
Other	37,356	45,342
Total current liabilities	311,180	355,512
Long-term liabilities		
Bonds	10,019	40,010
Long-term debt less current portion	8,603	22,125
Lease obligations	6,916	13,544
Deferred tax liabilities	3,860	4,351
Liability for retirement benefits	44,585	42,564
Provision for stock-based compensation	395	434
Other	5,398	5,338
Total long-term liabilities	79,779	128,368
Total liabilities	390,960	483,881
(Net assets)		
Shareholders' equity		
Common stock	100,002	100,002
Capital surplus	109,221	109,022
Retained earnings	408,008	414,256
Treasury stock, at cost	-44,337	-44,198
Total shareholders' equity	572,894	579,082
Accumulated other comprehensive income:		
Unrealized holding gain on securities	36,828	48,284
Deferred loss on hedges	-32	-16
Unrealized gain on land revaluation	321	321
Translation adjustments	2,123	-177
Retirement benefit adjustments	-5,011	-4,638
Total accumulated other comprehensive income	34,229	43,773
Stock acquisition rights	156	70
Non-controlling interests	25,465	25,637
Total net assets	632,746	648,563
Total liabilities and net assets	1,023,706	1,132,445

(2) Consolidated Statements of Income and Statement of Comprehensive Income

Consolidated Statements of Income

(First 9 months, Fiscal Year 2019)

(Millions of Yen)

	First 9 Months, Fiscal 2018 (From April 1, 2018 to December 31, 2018)	First 9 Months, Fiscal 2019 (From April 1, 2019 to December 31, 2019)
Net sales	829,036	823,307
Cost of sales	563,028	557,051
Gross profit	266,007	266,256
Selling, general and administrative expenses	206,487	208,058
Operating income	59,519	58,197
Non-operating income		
Interest income	814	856
Dividends income	4,429	4,272
Equity in earnings of affiliates	1,059	1,630
Foreign exchange gain, net	1,542	-
Miscellaneous income	1,836	2,383
Total non-operating income	9,683	9,142
Non-operating expenses		
Interest expenses	419	556
Sales discounts	308	301
Foreign exchange loss, net	-	254
Miscellaneous expenses	9,152	6,692
Total non-operating expenses	9,880	7,806
Ordinary income	59,322	59,534
Extraordinary income		
Gain on sales of investments in securities	1,826	5,201
Total extraordinary income	1,826	5,201
Extraordinary loss		
Loss on devaluation of investment in securities	-	2,888
Loss on impairment of fixed assets and goodwill	997	2,164
Loss on sales or disposal of property, plant and equipment	943	1,713
Total extraordinary loss	1,941	6,766
Income before income taxes	59,208	57,969
Income taxes	15,568	16,492
Net income	43,639	41,476
Net income attributable to:		
Non-controlling interests	1,640	1,386
Owners of the parent	41,999	40,090

Consolidated Statements of Income
(Third Quarter, Fiscal Year 2019)

(Millions of Yen)

	Third Quarter, Fiscal 2018 (From October 1, 2018 to December 31, 2018)	Third Quarter, Fiscal 2019 (From October 1, 2019 to December 31, 2019)
Net sales	274,124	266,792
Cost of sales	186,353	179,933
Gross profit	87,771	86,858
Selling, general and administrative expenses	70,416	70,158
Operating income	17,354	16,700
Non-operating income		
Interest income	290	340
Dividends income	416	354
Equity in earnings of affiliates	-	208
Foreign exchange gain, net	-	953
Miscellaneous income	390	1,174
Total non-operating income	1,097	3,031
Non-operating expenses		
Interest expenses	178	184
Sales discounts	109	104
Equity in earnings of affiliates	45	-
Foreign exchange loss, net	578	-
Miscellaneous expenses	4,079	2,031
Total non-operating expenses	4,990	2,320
Ordinary income	13,461	17,411
Extraordinary income		
Gain on sales of investments in securities	1,826	99
Total extraordinary income	1,826	99
Extraordinary loss		
Loss on impairment of fixed assets and goodwill	806	-
Loss on sales or disposal of property, plant and equipment	306	705
Total extraordinary loss	1,113	705
Income before income taxes	14,174	16,805
Income taxes	4,219	5,849
Net income	9,955	10,956
Net income attributable to:		
Non-controlling interests	528	499
Owners of the parent	9,427	10,457

Consolidated Statement of Comprehensive Income
(First 9 months, Fiscal Year 2019)

(Millions of Yen)

	First 9 Months, Fiscal 2018 (From April 1, 2018 to December 31, 2018)	First 9 Months, Fiscal 2019 (From April 1, 2019 to December 31, 2019)
Net income	43,639	41,476
Other comprehensive loss (income)		
Unrealized holding loss (gain) on securities	-14,629	11,328
Deferred gain on hedges	39	29
Translation adjustments	-1,474	-1,660
Retirement benefit adjustments	-318	288
Comprehensive loss (income) of affiliates accounted for by the equity method attributable to the Company	-548	195
Total other comprehensive loss (income)	-16,930	10,180
Comprehensive income	26,708	51,657
Comprehensive income attributable to:		
Owners of the parent	25,153	49,634
Non-controlling interests	1,555	2,022

(3) Consolidated Statements of Cash Flows

(First 9 months, Fiscal Year 2019)

(Millions of Yen)

	First 9 Months, Fiscal 2018 (From April 1, 2018 to December 31, 2018)	First 9 Months, Fiscal 2019 (From April 1, 2019 to December 31, 2019)
Operating activities:		
Income before income taxes	59,208	57,969
Adjustments for:		
Depreciation and amortization	28,157	30,973
Amortization of goodwill	2,137	2,025
Loss on impairment of fixed assets	997	2,164
Loss on disposal of property, plant and equipment	902	1,673
Loss on sales of property, plant and equipment, net	40	40
Decrease in liability for retirement benefits	-3,252	-1,917
Gain on sales of investments in securities	-1,826	-5,201
Loss on devaluation of investments in securities	-	2,888
Decrease in reserve for bonuses	-7,272	-8,094
Interest and dividends income	-5,244	-5,128
Interest expenses	728	858
Equity in earnings of affiliates	-1,059	-1,630
Decrease in notes and accounts receivable	3,548	10,091
Increase in inventories	-29,403	-26,174
Decrease in notes and accounts payable	-4,358	-5,805
Increase in deposits received	16,417	8,753
Other	-4,052	-6,974
Subtotal	55,666	56,511
Interest and dividends received	6,010	5,891
Interest paid	-689	-913
Income taxes paid	-15,290	-14,778
Net cash provided by operating activities	45,697	46,711
Investing activities:		
Purchases of property, plant and equipment	-46,996	-38,612
Proceeds from sales of property, plant and equipment	646	1,307
Payments into time deposits	-947	-4,539
Proceeds from withdrawal of time deposits	1,758	3,522
Purchases of investments in securities	-2,824	-287
Proceeds from sales or redemption of investments in securities	2,647	11,972
Acquisition of investments in subsidiaries resulting in change in scope of consolidation	-	-54,377
Acquisition of investments in subsidiaries	-1,743	-45
Purchases of intangible assets	-4,230	-3,453
Decrease (increase) in short-term loans receivable	4,651	-1,505
Other	-342	2,295
Net cash used in investing activities	-47,380	-83,722
Financing activities:		
Increase in short-term debt, net	19,938	16,021
Repayments of lease obligations	-2,848	-3,703
Increase in commercial paper	9,000	15,000
Proceeds from long-term debt	1,800	16,539
Repayment of long-term debt	-3,286	-1,672
Proceeds from issuance of bonds	-	30,000
Redemption of bonds	-8	-8
Cash dividends paid	-19,719	-21,308
Cash dividends paid to non-controlling interests	-887	-1,114
Purchase of treasury stock	-12,868	-13,291
Other	485	328
Net cash used in (provided by) financing activities	-8,394	36,790
Effect of exchange rate change on cash and cash equivalents	-108	-660
Net decrease in cash and cash equivalents	-10,185	-880
Cash and cash equivalents at beginning of term	76,723	68,613
Increase in cash and cash equivalents from newly consolidated subsidiaries	403	1,646
Cash and cash equivalents at end of term	66,942	69,378

(4) Notes to Consolidated Financial Statements

(Notes regarding the premise of a going concern)

No significant changes during the term under review.

(Significant Change in Shareholder Equity)

No significant change during the term under review.

(Application of special accounting methods for the preparation of quarterly consolidated financial statements)

Estimated tax expenses

The tax rate used in the consolidated financial statement for the consolidated fiscal year, including for the third quarter under review, is a reasonable estimate based on the estimated effective tax rate after applying tax effect accounting to income before income taxes and minority interests for the full year and for the quarter under review. Deferred income taxes are included in the income tax amount.

(Changes in Accounting Policies)

Adopted IFRS No. 16 “Leases”

Effective from the first quarter of the fiscal year under review, overseas subsidiaries that are applying International Financial Reporting Standards (IFRS) have adopted IFRS No. 16 “Leases” issued on January 13, 2016. Due to the application of IFRS No. 16 “Leases,” lessees, in principle, recognize and record all leases as assets and liabilities on the balance sheet. The impact of the application of IFRS No. 16 “Leases” on the Company’s third quarter consolidated financial statements is immaterial.

(Segment Information)

I. Consolidated First 9 Months, Fiscal 2019 (April 1, 2019 to December 31, 2019)

1. Information as to sales and income (loss) on each reportable segment

(Millions of Yen)

	Reportable Segments					Other (Note)	Total
	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Medical	Total		
Sales:							
(1) Sales to third parties	370,161	161,204	236,220	52,347	819,934	3,373	823,307
(2) Intersegment sales or transfers	77	10,092	5,397	0	15,568	114	15,683
Net sales	370,239	171,297	241,618	52,348	835,503	3,487	838,990
Segment income (loss)	22,428	9,266	29,618	6,627	67,940	-7,560	60,380

Note: Other represents segments other than the reportable segments, which includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the Company’s reportable segments.

2. Information on the difference between the total amount of the reportable segments in the above tables and the corresponding amount reported in the consolidated financial statements

(Items related to the difference)

Income	(Millions of Yen)
Total of reportable segments	67,940
Other loss	-7,560
Eliminations	467
Corporate expenses (Note)	-2,649
Total operating income reported in the quarterly consolidated statements of income	58,197

Note: Corporate expenses are mainly general administrative expenses not attributable to each reportable segment.

3. Information on changes for reporting segment

Effective from the first quarter of the fiscal year in the High Performance Plastics segment is being presented as the Medical Business segment in an effort to accelerate the pace its growth as a new divisional company candidate.

4. Information on impairment loss on fixed assets or good will, etc., for each reporting segment

(Significant change in the amount of goodwill)

The Company acquired the shares of AIM Aerospace Corporation (current SEKISUI AEROSPACE CORPORATION) and made the company a subsidiary in the High Performance Plastics segment.

The acquisition increased the amount of goodwill by 38,392 million yen in the consolidated cumulative third quarter of the fiscal year ending March 31, 2020.

This is a provisional amount because the allocation of the cost of acquisition has not been finalized.

5. Regional information

Net sales

	Japan	America	Europe	Asia	Others	Total
Net sales (Millions of yen)	620,927	56,606	41,799	92,885	11,089	823,307

II. Consolidated Third Quarter, Fiscal 2019 (October 1, 2019 to December 31, 2019)

1. Information as to sales and income (loss) on each reportable segment

(Millions of Yen)

	Reportable Segments					Other (Note)	Total
	Housing	Urban Infrastructure & Environmental Products	High Performance Plastics	Medical	Total		
Sales:							
(1) Sales to third parties	113,285	54,976	79,375	18,083	265,721	1,071	266,792
(2) Intersegment sales or transfers	28	3,082	1,802	0	4,913	33	4,946
Net sales	113,314	58,059	81,177	18,083	270,634	1,104	271,739
Segment income (loss)	3,849	3,820	9,881	2,218	19,769	-2,239	17,530

Note: Other represents segments other than the reportable segments, which includes provision of services and manufacturing and sales of film-type lithium-ion batteries and products not included in the Company's reportable segments.

2. Information on the difference between the total amount of the reportable segments in the above tables and the corresponding amount reported in the consolidated financial statements

(Items related to the difference)

Income	(Millions of Yen)
Total of reportable segments	19,769
Other loss	-2,239
Eliminations	165
Corporate expenses (Note)	-995
Total operating income reported in the quarterly consolidated statements of income	16,700

Note: Corporate expenses are mainly general administrative expenses not attributable to each reportable segment.

3. Information on changes for reporting segment

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5. Regional information

Net sales

	Japan	America	Europe	Asia	Others	Total
Net sales (Millions of yen)	199,072	18,593	12,852	32,775	3,497	266,792