



October 12, 2021

**Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending February 28, 2022**  
**(Six Months Ended August 31, 2021)**

[Japanese GAAP]

Company name: AIT CORPORATION  
 Securities code: 9381  
 Representative: Hidekazu Yagura, President and CEO  
 Contact: Toshiaki Uchida, Executive Officer, General Manager, Accounting & Finance Dept.  
 Tel: +81-6-6260-3450

Listing: TSE 1st section  
 URL: <http://www.ait-jp.com/>

Scheduled date of filing of Quarterly Report: October 15, 2021

Scheduled date of payment of dividend: October 29, 2021

Preparation of supplementary materials for quarterly financial results: Yes

Holding of quarterly financial results meeting: None

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

**1. Consolidated Financial Results for the Second Quarter (March 1, 2021 – August 31, 2021) of the Fiscal Year Ending February 28, 2022**

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

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Aug. 31, 2021	26,971	25.0	1,533	73.5	1,673	59.2	974	36.1
Six months ended Aug. 31, 2020	21,581	(3.9)	883	19.2	1,051	13.4	716	11.3

Note: Comprehensive income Six months ended Aug. 31, 2021: 1,283 million yen (up 101.8%)

Six months ended Aug. 31, 2020: 636 million yen (up 19.3%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Aug. 31, 2021	41.48	-
Six months ended Aug. 31, 2020	30.23	-

Note: AIT acquired 199,800 treasury shares by November 6, 2020 upon resolution of the Board of Directors on July 13, 2020.

The net income per share for six months ended August 31, 2021 is calculated using an average number of shares during the period of 23,493,668.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of Aug. 31, 2021	21,996	13,011	58.3
As of Feb. 28, 2021	21,630	12,231	55.6

Reference: Equity capital As of Aug. 31, 2021: 12,828 million yen As of Feb. 28, 2021: 12,022 million yen

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Feb. 28, 2021	-	18.00	-	20.00	38.00
Fiscal year ending Feb. 28, 2022	-	22.00	-	-	-
Fiscal year ending Feb. 28, 2022 (forecast)	-	-	-	22.00	44.00

Notes: 1. Revision to the most recently announced dividend forecast: None

2. Breakdown of the year-end dividend for the fiscal year ended February 28, 2021

Ordinary dividend: ¥18.00; Commemorative dividend to celebrate 25th founding anniversary: ¥2.00

**3. Consolidated Forecast for the Fiscal Year Ending February 28, 2022 (March 1, 2021 – February 28, 2022)**

(Percentages represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	53,000	15.7	2,830	22.8	3,050	19.8	2,040	17.8	86.83

Note: Revision to the most recently announced forecast of consolidated results: None

**\* Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

Newly added: -

Excluded: 1, AIT International of America, Inc.

(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: None

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

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of outstanding shares (common stock)

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

As of Aug. 31, 2021:	23,913,600 shares	As of Feb. 28, 2021:	23,913,600 shares
----------------------	-------------------	----------------------	-------------------

2) Number of treasury shares at the end of the period

As of Aug. 31, 2021:	419,975 shares	As of Feb. 28, 2021:	419,912 shares
----------------------	----------------	----------------------	----------------

3) Average number of shares during the period

Six months ended Aug. 31, 2021:	23,493,668 shares	Six months ended Aug. 31, 2020:	23,685,574 shares
---------------------------------	-------------------	---------------------------------	-------------------

The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

Cautionary statement with respect to forecasts of future performance and other special items

Note concerning forward-looking statements

Forward-looking statements in these materials are based on certain assumptions judged to be valid and information currently available to AIT. These statements are not promises by AIT regarding future performance. Actual performance may differ significantly from these forecasts for a number of reasons. Please refer to “1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Forecast of Consolidated Results and Other Forward-looking Statements” on page 4 of the attachments regarding preconditions or other related matters for forecasts shown above.

Supplementary information at the quarterly financial results meeting

AIT does not plan to hold a financial results meeting for analysts and institutional investors for the first half. Materials supplementary to the financial results will be available in Japanese language on AIT’s website soon after the release of the first-half financial results.

Change in units for monetary figures

Monetary figures in the quarterly consolidated financial statements and in other items had been shown in thousands of yen in prior years. Beginning with the first quarter of the fiscal year ending in February 2022, monetary figures are shown in millions of yen. To facilitate comparisons, figures for the previous first half and fiscal year have been also revised to millions of yen.

## Contents of Attachments

1. Qualitative Information on Quarterly Consolidated Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Financial Position	3
(3) Explanation of Forecast of Consolidated Results and Other Forward-looking Statements	4
2. Quarterly Consolidated Financial Statements and Notes	5
(1) Quarterly Consolidated Balance Sheet	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income	7
(3) Quarterly Consolidated Statement of Cash Flows	9
(4) Notes to Quarterly Consolidated Financial Statements	11
Going Concern Assumption	11
Significant Changes in Shareholders' Equity	11
Changes in the Scope of Consolidation or Application of the Equity Method	11
Additional Information	11
Segment and Other Information	12

## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

During the first half of the fiscal year ending February 28, 2022, COVID-19 infections severely restricted economic and social activities in Japan. The business climate remains extremely challenging and the economic outlook is still unclear. Although the continuing wave of infections did not significantly affect cargo movements, the prolonged period of restrictions on outings from home has created more concerns about consumer spending. As a result, the business climate for the AIT Group remains uncertain.

The AIT Group focused on establishing relationships with new customers and increasing the volume of business with current customers, with emphasis on cargo going by sea from China and Southeast Asia to Japan. There were also many sales activities with the goal of receiving even more orders for services associated with imports and exports, such as customs clearance, delivery, inspections, needle detection and processing. The volume of apparel products recovered slightly in the fiscal year's first half compared with one year earlier, but consumer spending in Japan remained sluggish because of the reluctance of people to go on outings. There was an increase in the volume of household products, home appliances and other products where demand is strong as people stay home for safety during the pandemic.

In the sea freight transport sector, which is the core business of the AIT Group, there has been a persistent shortage of shipping containers since the fall of 2020. Freight rates on some routes used by the group have increased significantly and still remain high. Group companies responded by taking numerous actions for providing stable international cargo transportation services to customers. These high rates made a contribution to revenue and earnings growth in the first half.

In addition, the AIT Group continued to review and hold down selling, general and administrative expenses in order to increase earnings.

Operating revenue increased 25.0% year-on-year to 26,971 million yen. Earnings at all levels were much higher than one year earlier mainly because of the significant increase in operating revenue. Operating profit increased 73.5% to 1,533 million yen, ordinary profit was up 59.2% to 1,673 million yen and profit attributable to owners of parent increased 36.1% to 974 million yen.

Results by business segment are as follows.

In Other, which is not a reportable segment, U.S. subsidiary AIT International of America, Inc. was liquidated in the first quarter of the current fiscal year and excluded from consolidation. In the China reportable segment, Nisshin International Trading Co.,Ltd. is making preparations to begin liquidation proceedings.

#### 1) Japan

During the first half of the fiscal year, the business climate was challenging as declarations of a state of emergency and other events severely impacted consumer spending and other economic activity, resulting in increasingly negative economic sentiment. As consumer spending associated with staying home for safety continued to increase, we conducted many sales activities with the goal of receiving more orders for integrated freight transport services.

Due to these activities, the number of containers handled in the sea freight sector increased 3.1% from one year earlier to 133,385 TEU for imports and the total for imports and exports increased 3.2% to 140,149 TEU. Customs clearance orders were higher than one year earlier, increasing 6.3% to 72,420 as orders at subsidiaries began to recover. The digital transformation was another priority of the first half for the purposes of improving services for customers and lowering expenses by operating more efficiently. In addition, freight rates increased significantly on some routes used by the AIT Group because of the shipping container shortage. These high rates made a big contribution to operating revenue and the gross profit.

As a result, operating revenue increased 30.3% from one year earlier to 22,435 million yen. Segment profit increased 118.3% to 1,310 million yen mainly because of a big increase in the gross profit and measures to hold down personnel expenses and expenses for sales activities.

**2) China**

The consistently low volume of apparel shipments makes it very difficult to receive orders for merchandise inspections, needle detection and other services associated with these shipments. On the other hand, in the first half of the current fiscal year, cargo movements in China were normal even during the pandemic. The volume of freight for Japan handled by the AIT Group has recovered in comparison with one year earlier. These favorable trends are creating more opportunities involving cargo shipments to increase revenue in China.

As a result, operating revenue increased 10.6% from one year earlier to 4,061 million yen and segment profit decreased 15.6% to 212 million yen because of higher expenses caused partly by the temporary reduction of legal welfare expenses in China during the first half of the previous fiscal year.

**3) Other**

At the subsidiary in Taiwan, the volume of cargo and revenue remained steady. However, revenue was down at the subsidiary in Vietnam because of the sharp increase in the number of COVID-19 infections. Revenue declined at the Myanmar subsidiary because of the pandemic and civil unrest. The performance of this segment was also affected by the liquidation of a U.S. subsidiary. As a result, operating revenue decreased 31.6% to 474 million yen and segment profit decreased 67.1% to 10 million yen.

Note: TEU (twenty-foot equivalent unit) is a unit of cargo capacity based on a standard intermodal container.

**(2) Explanation of Financial Position****1) Balance sheet position****Assets**

Total assets increased 365 million yen from the end of the previous fiscal year to 21,996 million yen at the end of the period under review.

Current assets increased 803 million yen to 17,656 million yen. This was mainly due to increases in notes and accounts receivable-trade of 328 million yen, advances paid of 277 million yen and cash and deposits of 154 million yen.

Non-current assets decreased 437 million yen to 4,339 million yen. This was mainly due to decreases in customer-related assets of 131 million yen, investment securities of 85 million yen and goodwill of 54 million yen.

**Liabilities**

Total liabilities decreased 414 million yen to 8,984 million yen.

Current liabilities decreased 3,073 million yen to 4,690 million yen. This was mainly due to a decrease in current portion of long-term borrowings of 3,700 million yen, which was partially offset by an increase in accounts payable-trade of 778 million yen.

Non-current liabilities increased 2,659 million yen to 4,294 million yen. This was mainly due to an increase in long-term borrowings of 2,700 million yen.

**Net assets**

Net assets increased 779 million yen to 13,011 million yen. This was mainly due to a booking of profit attributable to owners of parent of 974 million yen, dividends distributed from retained earnings of 469 million yen and a 299 million yen increase in foreign currency translation adjustment.

**2) Cash flows**

Cash and cash equivalents (hereinafter “net cash”) at the end of the period under review were 10,499 million yen, up 447 million yen over the end of the previous fiscal year.

The cash flow components and the main reasons for changes are as described below.

**Cash flows from operating activities**

Net cash provided by operating activities was 1,500 million yen, an increase of 1,068 million yen from the same period of the previous fiscal year. Although there were negative factors including income taxes paid of 600 million yen, an increase in trade receivables of 313 million yen, an increase in advances paid of 277 million yen, share of profit of entities accounted for using equity method of 89 million yen, and a decrease in deposits received of 79 million yen, there were positive factors including profit before income taxes of 1,599 million yen, an increase in trade payables of 740 million yen, depreciation of 293 million yen, interest and dividends received of 127 million yen, amortization of goodwill of 54 million yen, and an increase in allowance for doubtful accounts of 35 million yen.

**Cash flows from investing activities**

Net cash provided by investing activities was 340 million yen, compared with net cash used of 169 million yen in the same period of the previous fiscal year. Although there were negative factors including payments into time deposits of 833 million yen, there were positive factors including proceeds from withdrawal of time deposits of 1,176 million yen.

**Cash flows from financing activities**

Net cash used in financing activities was 1,568 million yen, an increase of 375 million yen from the same period of the previous fiscal year. Although there were positive factors including proceeds from long-term borrowings of 2,700 million yen, there were negative factors including repayments of long-term borrowings of 3,700 million yen and cash dividends paid of 469 million yen.

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

AIT announced upward revisions of the forecasts for the first half of the current fiscal year and the fiscal year on July 13, 2021. Actual first half operating revenue and earnings at all levels up to operating profit were higher than the revised first half forecast. Business structural reform expenses posted in the first half as an extraordinary loss is mainly economic compensation payments and other expenses associated with the closure of some offices of consolidated subsidiary Nisshin Global Logistics (Shanghai). These expenses were expected to be incurred in the fiscal year’s second half and are therefore already incorporated in the revised forecast for the entire fiscal year.

In the second half, the AIT Group will continue to take numerous actions for raising the volume of business with current customers and adding a large number of new customers.

Third quarter revenue and earnings are normally a large share of fiscal year revenue and earnings because of shipments of fall and winter apparel and merchandise for the year-end selling season. At this time, sea freight rates for international cargo remain high due to the shortage of containers and other reasons. These rates are high on some of the shipping routes used by the AIT Group. These rates are changing rapidly because of uncertainty created by the inability to predict the end of the pandemic and the outlook for shipping rates is unclear.

Based on this outlook, we maintain the full year forecasts of consolidated results for the fiscal year ending February 28, 2022, which was announced on July 13, 2021. If revisions to the forecast become necessary, we will make an announcement promptly.

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

(Millions of yen)

	FY2/21 (As of Feb. 28, 2021)	Second quarter of FY2/22 (As of Aug. 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	10,653	10,808
Notes and accounts receivable-trade	4,507	4,836
Advances paid	1,375	1,653
Other	358	404
Allowance for doubtful accounts	(41)	(44)
Total current assets	16,853	17,656
Non-current assets		
Property, plant and equipment	774	679
Intangible assets		
Goodwill	870	816
Customer-related assets	2,105	1,974
Other	188	158
Total intangible assets	3,164	2,948
Investments and other assets		
Investment securities	460	374
Guarantee deposits	244	244
Other	134	125
Allowance for doubtful accounts	(0)	(33)
Total investments and other assets	838	711
Total non-current assets	4,777	4,339
Total assets	21,630	21,996
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	2,247	3,026
Current portion of long-term borrowings	3,700	-
Income taxes payable	580	563
Provision for bonuses	389	383
Provision for bonuses for directors (and other officers)	35	14
Other	811	702
Total current liabilities	7,764	4,690
Non-current liabilities		
Long-term borrowings	-	2,700
Deferred tax liabilities	501	492
Retirement benefit liability	584	596
Provision for retirement benefits for directors (and other officers)	140	141
Asset retirement obligations	210	215
Other	198	148
Total non-current liabilities	1,634	4,294
Total liabilities	9,399	8,984

	(Millions of yen)	
	FY2/21 (As of Feb. 28, 2021)	Second quarter of FY2/22 (As of Aug. 31, 2021)
Net assets		
Shareholders' equity		
Share capital	271	271
Capital surplus	5,275	5,274
Retained earnings	6,808	7,313
Treasury shares	(392)	(392)
Total shareholders' equity	11,962	12,466
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6	9
Foreign currency translation adjustment	57	356
Remeasurements of defined benefit plans	(4)	(3)
Total accumulated other comprehensive income	59	362
Non-controlling interests	209	183
Total net assets	12,231	13,011
Total liabilities and net assets	21,630	21,996

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

(Millions of yen)

	First six months of FY2/21 (Mar. 1, 2020 – Aug. 31, 2020)	First six months of FY2/22 (Mar. 1, 2021 – Aug. 31, 2021)
Operating revenue		
Forwarding income	21,581	26,971
Total operating revenue	21,581	26,971
Operating costs		
Forwarding cost	17,726	22,469
Total operating costs	17,726	22,469
Gross profit	3,854	4,501
Selling, general and administrative expenses	2,970	2,967
Operating profit	883	1,533
Non-operating income		
Interest income	20	14
Dividend income	3	1
Share of profit of entities accounted for using equity method	73	89
Foreign exchange gains	43	20
Other	30	21
Total non-operating income	170	146
Non-operating expenses		
Interest expenses	2	6
Other	0	0
Total non-operating expenses	2	7
Ordinary profit	1,051	1,673
Extraordinary losses		
Loss on sales of non-current assets	0	-
Loss on retirement of non-current assets	2	0
Loss on valuation of membership	5	-
Loss on liquidation of subsidiaries and associates	-	0
Business structural reform expenses	-	73
Total extraordinary losses	8	73
Profit before income taxes	1,042	1,599
Income taxes-current	357	585
Income taxes-deferred	(50)	29
Total income taxes	307	614
Profit	734	984
Profit attributable to non-controlling interests	18	10
Profit attributable to owners of parent	716	974

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

(Millions of yen)

	First six months of FY2/21 (Mar. 1, 2020 – Aug. 31, 2020)	First six months of FY2/22 (Mar. 1, 2021 – Aug. 31, 2021)
Profit	734	984
Other comprehensive income		
Valuation difference on available-for-sale securities	(5)	2
Foreign currency translation adjustment	(77)	254
Share of other comprehensive income of entities accounted for using equity method	(16)	40
Remeasurements of defined benefit plans, net of tax	0	0
Total other comprehensive income	(98)	298
Comprehensive income	636	1,283
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	619	1,276
Comprehensive income attributable to non-controlling interests	16	7

**(3) Quarterly Consolidated Statement of Cash Flows**

(Millions of yen)

	First six months of FY2/21 (Mar. 1, 2020 – Aug. 31, 2020)	First six months of FY2/22 (Mar. 1, 2021 – Aug. 31, 2021)
Cash flows from operating activities		
Profit before income taxes	1,042	1,599
Depreciation	251	293
Amortization of goodwill	54	54
Increase (decrease) in allowance for doubtful accounts	5	35
Increase (decrease) in provision for bonuses	45	(8)
Increase (decrease) in provision for bonuses for directors (and other officers)	(15)	(20)
Increase (decrease) in retirement benefit liability	8	12
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(5)	0
Interest and dividend income	(23)	(15)
Interest expenses	2	6
Foreign exchange losses (gains)	1	(1)
Share of loss (profit) of entities accounted for using equity method	(73)	(89)
Loss (gain) on sales of property, plant and equipment	0	-
Loss on retirement of property, plant and equipment	2	0
Loss on valuation of membership	5	-
Increase (decrease) in deposits received	(23)	(79)
Decrease (increase) in trade receivables	(761)	(313)
Decrease (increase) in advances paid	(353)	(277)
Increase (decrease) in trade payables	490	740
Other, net	(52)	42
Subtotal	602	1,979
Interest and dividends received	166	127
Interest paid	(2)	(6)
Income taxes paid	(335)	(600)
Net cash provided by (used in) operating activities	431	1,500
Cash flows from investing activities		
Payments into time deposits	(523)	(833)
Proceeds from withdrawal of time deposits	316	1,176
Purchase of property, plant and equipment	(29)	(10)
Proceeds from sales of property, plant and equipment	0	-
Purchase of intangible assets	(6)	(4)
Proceeds from sales of investment securities	-	2
Payments of guarantee deposits	(5)	(3)
Proceeds from refund of guarantee deposits	2	11
Other, net	76	0
Net cash provided by (used in) investing activities	(169)	340

	(Millions of yen)	
	First six months of FY2/21 (Mar. 1, 2020 – Aug. 31, 2020)	First six months of FY2/22 (Mar. 1, 2021 – Aug. 31, 2021)
Cash flows from financing activities		
Proceeds from short-term borrowings	76	-
Repayments of short-term borrowings	(4,399)	-
Proceeds from long-term borrowings	3,700	2,700
Repayments of long-term borrowings	-	(3,700)
Purchase of treasury shares	(127)	(0)
Repayments of lease obligations	(15)	(85)
Dividends paid	(427)	(469)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(13)
Net cash provided by (used in) financing activities	(1,192)	(1,568)
Effect of exchange rate change on cash and cash equivalents	(55)	175
Net increase (decrease) in cash and cash equivalents	(986)	447
Cash and cash equivalents at beginning of period	10,812	10,052
Cash and cash equivalents at end of period	9,826	10,499

**(4) Notes to Quarterly Consolidated Financial Statements**

**Going Concern Assumption**

Not applicable.

**Significant Changes in Shareholders' Equity**

Not applicable.

**Changes in the Scope of Consolidation or Application of the Equity Method**

Important changes in the scope of consolidation

Consolidated subsidiary AIT International of America, Inc. was liquidated in the first quarter of the current fiscal year and excluded from consolidation.

**Additional Information**

Impact of the COVID-19 pandemic on accounting estimates

There is no important change in the assumptions about the impact of the COVID-19 pandemic on accounting estimates which was presented in additional information in the Annual Securities Report for the previous fiscal year.

**Segment and Other Information****Segment Information**

I First six months of FY2/21 (Mar. 1, 2020 – Aug. 31, 2020)

Information related to operating revenue and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment			Other (Note 2)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 3)
	Japan	China (Note 1)	Sub-total				
Operating revenue							
(1) Revenue from external customers	17,216	3,670	20,887	693	21,581	-	21,581
(2) Inter-segment revenue and transfers	78	1,794	1,872	220	2,092	(2,092)	-
Total	17,295	5,465	22,760	913	23,674	(2,092)	21,581
Segment profit	600	251	852	31	883	-	883

Notes: 1. “China” includes the business activities of entities in China and Hong Kong.

2. “Other” is a business segment not included in reportable segments and includes the business activities of entities in the U.S., Taiwan, Vietnam and Myanmar. U.S. subsidiary AIT International of America terminated its operations on February 29, 2020 and is currently being liquidated.

3. Segment profit is consistent with operating profit recorded in the quarterly consolidated statement of income.

II First six months of FY2/22 (Mar. 1, 2021 – Aug. 31, 2021)

Information related to operating revenue and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment			Other (Note 2)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 3)
	Japan	China (Note 1)	Sub-total				
Operating revenue							
(1) Revenue from external customers	22,435	4,061	26,496	474	26,971	-	26,971
(2) Inter-segment revenue and transfers	68	1,981	2,050	192	2,242	(2,242)	-
Total	22,504	6,043	28,547	666	29,214	(2,242)	26,971
Segment profit	1,310	212	1,523	10	1,533	-	1,533

Notes: 1. “China” includes the business activities of entities in China and Hong Kong.

2. “Other” is a business segment not included in reportable segments and includes the business activities of entities in Taiwan, Vietnam and Myanmar. U.S. subsidiary AIT International of America, Inc. was liquidated in the first quarter of FY2/22 and excluded from consolidation.

3. Segment profit is consistent with operating profit recorded in the quarterly consolidated statement of income.

*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.*