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August 5, 2024

Consolidated Financial Results
for the First Six Months (Interim) of the Year Ending December 31, 2024
<Under Japanese GAAP>

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 Listing: Tokyo Stock Exchange
 Stock code: 7972
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Scheduled date to file First Six Months Report: August 8, 2024
 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results presentation meeting: Yes
 (for institutional investors and security analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted)

1. Consolidated performance for the first six months (Interim) of the fiscal year ending December 31, 2024
(from January 1, 2024 to June 30, 2024)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
As of June 30, 2024	72,510	6.3	6,866	(2.0)	6,837	(3.6)	5,086	8.1
Six months ended June 30, 2023	68,190	7.0	7,002	60.2	7,095	60.7	4,707	28.1

Note: Comprehensive income
 As of June 30, 2024: 5,650 million yen [10.0%]
 Six months ended June 30, 2023: 5,134 million yen [40.1%]

	Net interim earnings per share	Diluted interim net earnings per share
As of June 30, 2024	Yen 104.85	Yen —
Six months ended June 30, 2023	103.90	91.23

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of June 30, 2024	Millions of yen 120,701	Millions of yen 47,111	39.0%	Yen 956.59
As of December 31, 2023	117,437	54,999	46.8	1,210.96

Reference: Equity
 As of June 30, 2024: 47,068 million yen
 As of December 31, 2023: 54,915 million yen

2. Cash dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
As of December 31, 2023	Yen —	Yen 0.00	Yen —	Yen 42.00	Yen 42.00
Fiscal year ending December 2024	—	0.00			
Fiscal year ending December 31, 2024 (Forecast)			—	55.00	55.00

Note: Revision to the forecast of cash dividends most recently announced: Yes

**3. Consolidated earnings forecast for the fiscal year ending December 31, 2024
(from January 1, 2024 to December 31, 2024)**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earning per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year (ending December 31, 2024)	137,500	3.4	10,000	17.3	10,000	16.9	7,000	18.5	143.27

Note: Revision to the consolidated earnings forecast most recently announced: None

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
New: 1 company (company name: Soua Co., Ltd.) / Excluded: —companies
- (2) Application of special accounting methods for preparing the consolidated interim financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- a. Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - b. Changes in accounting policies due to other reasons: None
 - c. Changes in accounting estimates: None
 - d. Restatement of prior period financial statements after error corrections: None
- (4) Number of issued shares (common shares)
- a. Total number of issued shares at the end of the period (including treasury shares)
 - As of June 30, 2024 53,382,850 shares
 - As of December 31, 2023 45,664,437 shares
 - b. Number of treasury shares at the end of the period
 - As of June 30, 2024 4,178,329 shares
 - As of December 31, 2023 316,174 shares
 - c. Average number of shares during the period (interim)
 - As of June 30, 2024 48,509,817 shares
 - Six months ended June 30, 2023 45,304,566 shares

* The first six months (interim) financial results reports are not required to be subjected to reviews conducted by certified public accountants or an audit corporation.

* Explanation concerning proper use of earnings forecasts and other specific matters
All forward-looking statements (earnings forecasts, etc.) in this document are prepared based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ significantly from the forecast figures due to various factors. For notes on assumptions for the earnings forecasts and notes on usage of the earnings forecasts, please refer to “1. Summary of operating results, etc.” - “(3) Explanation of Forward Looking Information for Earnings Forecasts, Etc.” on page 4 of the appendix.

○Appendix Table of Contents

1. Summary of operating results, etc.	2
(1) Summary of operating results during the period	2
(2) Summary of financial position during the period	4
(3) Explanation of Forward-Looking Information for Earnings Forecasts, Etc.	4
2. Consolidated Interim Financial Statements and Main Notes	5
(1) Consolidated Interim Balance Sheets	5
(2) Consolidated Interim Statements of Income and Consolidated Interim Statements of Comprehensive Income	7
(3) Consolidated Interim Statements of Cash Flows	9
(4) Notes on the Consolidated Interim Financial Statements	11
(Notes on Assumption of Going Concern)	11
(Notes in the Event of Significant Fluctuations in the Amount of Shareholders' Equity)	11
(Segment Information, Etc.)	12
(Significant Events After the Reporting Period)	13

1. Summary of operating results, etc.

(1) Summary of operating results during the period

In the current fiscal year, which is the first year of the Medium-term Management Plan “RISE TO GROWTH 2026,” the Group is implementing various measures based on the key strategy “7 Flags.” Current interim consolidated accounting period, in order to enhance sustainable growth potential, the Group has worked to expand sales and profits by proposing value-added proposals for new work styles and office spaces that employ them, as well as by deploying sales activities that focus on value enhancement.

Furthermore, in conjunction with the new Medium-term Management Plan, the IT and Sharing Business, previously a reportable segment, has been reorganized into two new segments, the Workplace Business and the Equipment and Public Works-Related Business.

(Millions of yen)

	2023 interim consolidated accounting period	2024 interim consolidated accounting period	Increase/decrease (amount)	Increase/decrease (%)
Net sales	68,190	72,510	4,319	6.3%
Gross profit	27,019	28,077	1,057	3.9%
Selling, general and administrative expenses	20,017	21,211	1,194	6.0%
Operating profit	7,002	6,866	(136)	(2.0%)
Non-operating income	239	306	66	27.9%
Non-operating expenses	147	335	188	128.2%
Ordinary profit	7,095	6,837	(258)	(3.6%)
Extraordinary income	16	1,100	1,083	6,585.8%
Extraordinary losses	31	602	570	1,785.3%
Profit before income taxes	7,079	7,334	254	3.6%
Total income taxes	2,371	2,245	(126)	(5.3%)
Profit	4,708	5,089	380	8.1%
Profit attributable to owners of parent	4,707	5,086	379	8.1%

(i) Net sales

Net sales were 72,510 million yen, an increase of 4,319 million yen (6.3%) year-on-year. Net sales progressed as expected and reached a record high in the first six months of the fiscal year.

- The Workplace Business performed well mainly due to renovation projects, office relocations, etc., to fit new hybrid work styles.
- In the Equipment and Public Works-Related Business, demand for equipment for public research facilities remained strong, but revenues declined within expectations for public facilities, such as display cases for museums and art galleries due to demand reactionary decline, which was strong in the same period of the previous year.

(ii) Gross profit

Gross profit was 28,077 million yen, an increase of 1,057 million yen (3.9%) year-on-year.

- In the Workplace Business, despite the expected impact of higher raw material prices, profit increased due to increased revenue.
- In the Equipment and Public Works-Related Business, demand for equipment for public research facilities expanded and there was increased revenue from strengthened sales but profits declined due to decreased revenue within expectations for public facilities, such as display cases for museums and art galleries.

(iii) Selling, general and administrative expenses

Selling, general and administrative expenses cost containment, such as continued reduction of logistics costs through the structural reform project, has been effective. However, as a result of factors such as the planned implementation of strategic expenditures for future leaps in performance, such as strengthening IT infrastructure to promote DX, in addition to wage increases and hiring of specialized personnel as part of human capital investment, selling, general and administrative expenses were 21,211 million yen, an increase of 1,194 million yen (6.0%) year-on-year.

(iv) Operating profit

As a result of the above, operating profit was 6,866 million yen, a decrease of 136 million yen (2.0%) year-on-year.

Progress was generally in line with initial expectations.

- In the Workplace Business, operating profit was flat year- on-year due to the effect of increased revenues, despite the impact of increased strategic spending on wage increases, hiring of specialized personnel, strengthening of IT infrastructure to promote DX, and product mix in the Second quarter.

- In the Equipment and Public Works-Related Business, despite the impact of decreased revenue within expectations for equipment for public facilities, such as display cases for museums and art galleries, there was increased revenues due to increased sales of equipment for public research facilities, etc and controlling SG&A expenses.

(v) Non-operating income

Non-operating income was 306 million yen, an increase of 66 million yen (27.9%) year-on-year, mainly due to an increase in insurance income.

(vi) Non-operating expenses

Non-operating expenses were 335 million yen, an increase of 188 million yen (128.2%) year-on-year, mainly due to an increase in interest expenses resulting from higher borrowings and payment fees.

(vii) Ordinary profit

As a result of the above, ordinary profit was 6,837 million yen, a decrease of 258 million yen (3.6%) year-on-year.

(viii) Extraordinary income

Extraordinary income was 1,100 million yen, an increase of 1,083 million yen (6,585.8%) year-on-year, mainly due to a gain on sale of non-current assets.

(ix) Extraordinary losses

Extraordinary losses were 602 million yen, an increase of 570 million yen (1,785.3%) year-on-year, mainly due to the recording of provisions for losses related to competition law.

(x) Profit attributable to owners of parent

As a result of the above, profit attributable to owners of parent was 5,086 million yen, an increase of 379 million yen (8.1%) year-on-year. Furthermore, profit attributable to owners of parent reached a record high in the first six months of the fiscal year.

Segment results were as follows.

Name of segment		(Millions of yen)			
		2023 interim consolidated accounting period	2024 interim consolidated accounting period	Increase/decrease (amount)	Increase/decrease (%)
Workplace Business	Net sales	49,165	54,063	4,897	10.0%
	Operating profit	5,275	5,231	(44)	(0.8%)
Equipment and Public Works-Related Business	Net sales	18,267	17,666	(600)	(3.3%)
	Operating profit	1,515	1,572	56	3.7%
Reportable segment total	Net sales	67,433	71,730	4,297	6.4%
	Operating profit	6,791	6,803	11	0.2%
Other	Net sales	757	780	22	3.0%
	Operating profit	211	62	(148)	(70.4%)
Total	Net sales	68,190	72,510	4,319	6.3%
	Operating profit	7,002	6,866	(136)	(2.0%)

(2) Summary of financial position during the period

a. Assets, liabilities and net assets

(Millions of yen)

	As of December 31, 2023	As of June 30, 2024	Increase/decrease (amount)	Increase/decrease (%)
Assets	117,437	120,701	3,264	2.8%
Liabilities	62,437	73,589	11,151	17.9%
Net assets	54,999	47,111	(7,887)	(14.3%)

(Assets)

Total assets were 120,701 million yen, an increase of 3,264 million yen compared to the previous fiscal year. The increase was due to factors such as increases in cash and deposits resulting from short-term borrowings.

(Liabilities)

Liabilities were 73,589 million yen, an increase of 11,151 million yen compared to the previous fiscal year. The increase was due to factors such as an increase in short-term borrowings for the purchase of treasury shares.

(Net assets)

Net assets decreased by 7,887 million yen from the end of the previous fiscal year to 47,111 million yen due to the acquisition of treasury stock, although share capital and capital surplus each increased due to the exercise of share acquisition rights. The equity ratio was 39.0%, a decrease of 7.8 points from the end of the previous fiscal year.

b. Consolidated cash flows

The balance of cash and cash equivalents (“funds”) at the end of the current interim consolidated accounting period was 27,515 million yen, an increase of 3,850 million yen in funds from the end of the previous fiscal year.

The status of each cash flow and their factors during the current interim consolidated accounting period are as follows.

(i) Cash flows from operating activities

Although there was an increase in funds due to increased revenues, an increase in payment of trade payables (a one-time increase) and an increase in salary and bonus payments resulted in a decrease in funds from operating activities of 3,559 million yen (an increase of 4,078 million yen year-on-year).

(ii) Cash flows from investing activities

The decrease in funds from investing activities was 2,913 million yen (a decrease of 3,265 million yen year-on-year) due to the increased expenditures because of introduction of ERP package and acquisition of stock in logistics subsidiary, etc.

(ii) Cash flows from financing activities

The increase in funds from financing activities was 10,267 million yen (a decrease of 3,266 million yen year-on-year), mainly due to an increase in short-term borrowings.

(3) Explanation of Forward Looking Information for Earnings Forecasts, Etc.

As for the full-year forecast, at the current point in time, the full-year consolidated earnings forecast that was announced in the Consolidated Financial Results for the Fiscal Year Ended December 31, 2023 on February 13, 2024 remains unchanged.

We recognize profit distribution as one of our important managerial issues. Our basic policy is to pay continuous and stable dividends to our shareholders based on a comprehensive and long-term consideration of our earnings situation, the enhancement of internal reserves, future business development, and other factors. Based on this policy, we have revised our previous forecast of a year-end dividend of 52 yen per share for the fiscal year ending December 31, 2024, and have increased the dividend by 3 yen to 55 yen per share.

2. Consolidated Interim Financial Statements and Main Notes

(1) Consolidated Interim Balance Sheets

(Millions of yen)

	Previous fiscal year (ended December 31, 2023)	First six months of the current consolidated accounting period (ended March 31, 2024)
Assets		
Current assets		
Cash and deposits	24,795	28,513
Notes and accounts receivable - trade, and contract assets	31,158	27,140
Electronically recorded monetary claims - operating	4,547	6,424
Merchandise and finished goods	4,845	4,588
Work in process	1,740	2,186
Raw materials and supplies	3,146	3,099
Other	3,284	2,654
Allowance for doubtful accounts	(213)	(190)
Total current assets	73,304	74,416
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	12,032	11,892
Land	8,436	8,413
Other (net)	4,323	4,438
Total property, plant and equipment	24,792	24,744
Intangible assets		
Goodwill	341	864
Other	1,950	3,007
Total intangible assets	2,292	3,872
Investments and other assets		
Investment securities	5,835	6,599
Deferred tax assets	2,127	1,348
Retirement benefit asset	1,691	1,735
Other	7,861	8,128
Allowance for doubtful accounts	(467)	(144)
Total investments and other assets	17,048	17,668
Total non-current assets	44,132	46,284
Total assets	117,437	120,701

(Millions of yen)

	Previous fiscal year (ended December 31, 2023)	First six months of the current consolidated accounting period (ended March 31, 2024)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	12,218	8,263
Electronically recorded obligations - operating	8,490	2,685
Notes payable - facilities	88	11
Current portion of bonds payable	-	14
Short-term borrowings	8,487	33,274
Current portion of long-term borrowings	1,789	4,665
Income taxes payable	916	1,810
Accrued consumption taxes	1,377	872
Provision for bonuses	3,619	1,309
Provision for bonuses for officers (and other officers)	321	19
Provision for loss on business of subsidiaries and associates	119	95
Other	9,911	7,794
Total current liabilities	47,340	60,816
Non-current liabilities		
Corporate bonds	-	23
Long-term borrowings	6,007	3,015
Lease obligations	570	575
Deferred tax liabilities	351	374
Provision for retirement benefits for directors (and other officers)	75	66
Provision for loss on voluntary recall of products	83	83
Provision for losses related to competition law	-	573
Retirement benefit liability	3,821	3,898
Asset retirement obligations	1,284	1,289
Other	2,903	2,872
Total non-current liabilities	15,096	12,772
Total liabilities	62,437	73,589
Net assets		
Shareholders' equity		
Share capital	5,294	7,351
Capital surplus	9,665	11,692
Retained earnings	38,617	34,092
Treasury shares	(111)	(8,077)
Total shareholders' equity	53,465	45,059
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	678	1,163
Foreign currency translation adjustment	638	685
Remeasurements of defined benefit plans	132	160
Total accumulated other comprehensive income	1,449	2,008
Share acquisition rights	45	-
Non-controlling interests	39	43
Total net assets	54,999	47,111
Total liabilities and net assets	117,437	120,701

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

Consolidated Interim Statements of Income

(Millions of yen)

	Previous interim consolidated accounting period (January 1, 2023 to June 30, 2023)	Current interim consolidated accounting period (January 1, 2024 to June 30, 2024)
Net sales	68,190	72,510
Cost of sales	41,171	44,433
Gross profit	27,019	28,077
Selling, general and administrative expenses	20,017	21,211
Operating profit	7,002	6,866
Non-operating income		
Interest income	7	9
Dividend income	66	62
Share of gain of entities accounted for using the equity method	4	-
Insurance income	12	84
Other	148	149
Total non-operating income	239	306
Non-operating expenses		
Interest expenses	79	137
Payment fees	12	95
Other	54	103
Total non-operating expenses	147	335
Ordinary profit	7,095	6,837
Extraordinary income		
Gain on sale of non-current assets	2	526
Gain on sale of investment securities	14	26
Gain on valuation of put option liabilities sold to non- controlling interests	-	547
Total extraordinary income	16	1,100
Extraordinary losses		
Loss on sale of non-current assets	-	1
Loss on retirement of non-current assets	29	14
Losses on disaster	-	19
Provisions for losses related to competition law	-	563
Other	2	2
Total extraordinary losses	31	602
Profit before income taxes	7,079	7,334
Income taxes — current	840	1,517
Income taxes — deferred	1,530	727
Total income taxes	2,371	2,245
Interim net profit	4,708	5,089
Profit attributable to non-controlling interests	1	3
Profit attributable to owners of parent	4,707	5,086

Consolidated Interim Statements of Comprehensive Income

(Millions of yen)

	Previous interim consolidated accounting period (January 1, 2023 to June 30, 2023)	Current interim consolidated accounting period (January 1, 2024 to June 30, 2024)
Interim net profit	4,708	5,089
Other comprehensive income		
Valuation difference on available-for-sale securities	242	484
Foreign currency translation adjustment	112	47
Remeasurements of defined benefit plans, net of tax	70	28
Total other comprehensive income	425	560
Comprehensive interim income	5,134	5,650
(Breakdown)		
Comprehensive interim income attributable to owners of parent	5,133	5,646
Comprehensive interim income attributable to non- controlling interests	1	4

(3) Consolidated Interim Statements of Cash Flows

(Millions of yen)

	Previous interim consolidated accounting period (January 1, 2023 to June 30, 2023)	Current interim consolidated accounting period (January 1, 2024 to June 30, 2024)
Cash flows from operating activities		
Profit before income taxes	7,079	7,334
Depreciation	1,303	1,302
Amortization of goodwill	123	167
Increase (decrease) in allowance for doubtful accounts	16	(351)
Increase (decrease) in provision for bonuses	(1,550)	(2,311)
Increase (decrease) in provision for bonuses for directors (and other officers)	(130)	(301)
Increase (decrease) in provision for loss on orders received	(0)	2
Increase (decrease) in retirement benefit liability	4	40
Decrease (increase) in retirement benefit asset	(16)	(21)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(0)	(13)
Increase (decrease) in provision for product warranties	1	(0)
Increase (decrease) in provision for loss on business of subsidiaries and associates	(12)	(23)
Increase (decrease) in provisions for losses related to competition law	-	563
Interest and dividend income	(74)	(72)
Interest expenses	79	137
Loss (gain) on sale of investment securities	(11)	(24)
Loss (gain) on sale of non-current assets	(2)	(524)
Loss on retirement of non-current assets	29	14
Loss (gain) on valuation of put option liabilities sold to non-controlling interests	-	(547)
Investment loss (gain) of entities accounted for using the equity method	(4)	-
Decrease (increase) in trade receivables	377	2,674
Decrease (increase) in inventories	(172)	(136)
Increase (decrease) in trade payables	(179)	(9,982)
Other	99	(259)
Subtotal	6,958	(2,334)
Interest and dividends received	69	85
Interest paid	(73)	(152)
Settlements paid	-	(400)
Income taxes refund (paid)	(2,876)	(759)
Cash flows from operating activities	4,078	(3,559)

(Millions of yen)

	Previous interim consolidated accounting period (January 1, 2023 to June 30, 2023)	Current interim consolidated accounting period (January 1, 2024 to June 30, 2024)
Cash flows from investing activities		
Payments into time deposits	(1,294)	(836)
Proceeds from withdrawal of time deposits	1,029	969
Purchase of property, plant and equipment	(2,703)	(1,186)
Proceeds from sale of property, plant and equipment	22	554
Purchase of intangible assets	(406)	(1,310)
Purchase of investment securities	(119)	(276)
Proceeds from the sale of investment securities	44	108
Net decrease (increase) in short-term loans receivable	-	30
Long-term loan advances	-	(4)
Proceeds from collection of long-term loans receivable	0	0
Payments for the acquisition of shares of subsidiaries resulting in change in scope of consolidation	-	(928)
Net decrease (increase) in insurance reserve fund (IRF) amounts	224	(173)
Other	(60)	140
Cash flows from investing activities	(3,265)	(2,913)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(832)	24,772
Proceeds from long-term borrowings	669	1,011
Repayments of long-term borrowings	(959)	(1,128)
Redemption of bonds	(60)	-
Dividends paid	(1,675)	(1,904)
Dividends paid to non-controlling interests	(0)	(0)
Purchase of treasury shares	-	(15,899)
Net decrease (increase) in treasury shares	(0)	(0)
Proceeds from issuance of shares upon exercise of share acquisition rights	-	4,069
Other	(406)	(653)
Cash flows from financing activities	(3,266)	10,267
Effect of exchange rate change on cash and cash equivalents	(13)	56
Net increase (decrease) in cash and cash equivalents	(2,466)	3,850
Cash and cash equivalents at beginning of period	25,420	23,664
Cash and cash equivalents at end of period	22,953	27,515

(4) Notes on the Consolidated Interim Financial Statements

(Notes on Assumption of Going Concern)

None.

(Notes in the Event of Significant Fluctuations in the Amount of Shareholders' Equity)

(Exercise of share acquisition rights)

Due to the exercise of share acquisition rights, during the current interim consolidated accounting period, share capital and capital reserve each increased by 2,057 million yen.

(Purchase of treasury shares)

The Company repurchased 7,965,900 shares of treasury shares as per a resolution passed at the Board of Directors meeting held on February 13, 2024. As a result, treasury shares increased by 15,899 million yen during the current interim consolidated accounting period

(Cancellation of treasury shares)

The Company cancelled 4,000,000 shares of treasury shares on March 8, 2024 as per a resolution passed at the Board of Directors meeting held on February 13, 2024. As a result, capital surplus and treasury shares decreased by 7,733 million yen each during the current interim consolidated accounting period. As a result of the cancellation of treasury shares, the balance of other capital surplus became a negative value; therefore, other capital surplus was set to zero and the negative value was reduced from other retained earnings.

As a result, the balance of capital stock was 7,351 million yen, the balance of capital surplus was 11,692 million yen, the balance of retained earnings was 34,092 million, yen and the balance of treasury shares was 8,077 million yen at the end of the current interim consolidated cumulative period.

(Segment information, etc.)

[Segment information]

I Previous interim consolidated accounting period (January 1, 2023 to June 30, 2023)

1. Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

	Reportable segments			Other (Note 1)	Total	Adjustments	Amount recorded in consolidated interim statements of income (Note 2)
	Workplace Business	Equipment and Public Works- Related Business	Subtotal				
Net sales							
Japan	43,639	18,094	61,734	686	62,420	—	62,420
Asia	5,284	89	5,374	—	5,374	—	5,374
Other	241	83	324	—	324	—	324
Earnings from contracts with customers	49,165	18,267	67,433	686	68,119	—	68,119
Other earnings	—	—	—	71	71	—	71
Sales to external customers	49,165	18,267	67,433	757	68,190	—	68,190
Intersegment sales or transfers	110	17	128	222	351	(351)	—
Subtotal	49,276	18,285	67,561	980	68,542	(351)	68,190
Segment profit	5,275	1,515	6,791	211	7,002	—	7,002

(Note) 1. “Other” is for business segments not included in reportable segments. It includes IT system-related business, etc.

2. Total segment profit is consistent with operating profit in the consolidated interim statements of income.

II Current interim consolidated accounting period (January 1, 2024 to June 30, 2024)

1. Information on the amount of net sales and profit (loss) by reportable segment, and disaggregated information on earnings

(Millions of yen)

	Reportable segments			Other (Note 1)	Total	Adjustments	Amount recorded in consolidated interim statements of income (Note 2)
	Workplace Business	Equipment and Public Works- Related Business	Subtotal				
Net sales							
Japan	46,322	17,489	63,812	704	64,516	—	64,516
Asia	7,611	74	7,686	—	7,686	—	7,686
Other	130	102	232	—	232	—	232
Earnings from contracts with customers	54,063	17,666	71,730	704	72,435	—	72,435
Other earnings	—	—	—	75	75	—	75
Sales to external customers	54,063	17,666	71,730	780	72,510	—	72,510
Intersegment sales or transfers	84	11	95	240	336	(336)	—
Subtotal	54,148	17,678	71,826	1,020	72,847	(336)	72,510
Segment profit	5,231	1,572	6,803	62	6,866	—	6,866

- (Note) 1. “Other” is for business segments not included in reportable segments. It includes IT system-related business, etc.
2. Total segment profit is consistent with operating profit in the consolidated interim statements of income.

2. Matters related to changes in reportable segments, etc.

In accordance with the policy of the Company's Medium-term Management Plan “RISE TO GROWTH 2026” announced on February 13, 2024, the Company has revised the classification method of its reportable segments effective from the current interim consolidated accounting period. The office sharing-related business included in the “IT and Sharing Business” was transferred to the “Workplace Business,” and the reportable segments were changed to the two segments of “Workplace Business” and “Equipment and Public Works-Related Business.” In addition, IT system-related businesses are classified as “Other.”

The segment information for the previous interim consolidated accounting period is presented based on the classification method after the change.

(Significant Events After the Reporting Period)

None.