

Oct 30, 2019

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 (Code Number: 5201; TSE 1st section)
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Consolidated Financial Results for the Nine Months ended September 30, 2019 (IFRS basis)

(Fractions less than one million yen are rounded off.)

1. Financial Results for the Nine months ended September 30, 2019 (January 1 through September 30, 2019)

(1) Consolidated operating results

	For the Nine months ended September 30, 2019		For the Nine months ended September 30, 2018	
	Millions of yen	%	Millions of yen	%
Net sales	1,123,753	(0.2)	1,126,152	5.8
Operating profit	73,609	(15.4)	87,024	5.5
Profit before tax	50,467	(44.6)	91,038	12.8
Profit for the period	36,031	(50.2)	72,380	6.4
Profit for the period attributable to owners of the parent	28,883	(55.5)	64,890	7.1
Total comprehensive income for the period	4,323	(89.9)	42,701	(53.6)
Basic earnings per share (yen)	130.56		288.17	
Diluted earnings per share (yen)	129.98		286.77	

(2) Consolidated financial position

	FY2019 third quarter (as of September 30, 2019)	FY2018 (as of December 31, 2018)
Total assets (millions of yen)	2,260,973	2,235,776
Total equity(millions of yen)	1,227,665	1,253,604
Equity attributable to owners of the parent (millions of yen)	1,108,502	1,137,204
Equity attributable to owners of the parent ratio (%)	49.0	50.9

2. Dividends

(Unit: yen)

	FY2018	FY2019	FY2019 (forecast)
End of first quarter	-	-	-----
End of second quarter	55.00	60.00	-----
End of third quarter	-	-	-----
End of fiscal year	60.00	-----	60.00
Total	115.00	-----	120.00

Note: Revision of the forecast during this quarter: No

3. Forecast for FY2019 (January 1 through December 31, 2019)

	Full year	
	Millions of yen	%
Net sales	1,540,000	1.1
Operating profit	105,000	(12.9)
Profit before tax	75,000	(41.6)
Profit for the year	51,000	(50.0)
Profit for the year attributable to owners of the parent	41,000	(54.2)
Basic earnings per share (yen)	185.33	

Note: Revision of the forecast for FY2019 consolidated operating results from the latest official forecast: No

*Notes

(1) Changes in significant subsidiaries during the period: No

(2) Changes in Accounting Policies and Changes in Accounting Estimates

- i. Changes in accounting policies required by IFRS: Yes
- ii. Changes in accounting policies other than "i" above: No
- iii. Changes in accounting estimates: Yes

Note: For details, please refer to "1. Condensed Interim Consolidated Financial Statements (IFRS) (5) Notes to the Condensed Interim Consolidated Financial Statements, Changes in Accounting Policies" on page 11, and "Changes in Accounting Estimates" on page 12.

(3) Number of shares issued (common stock)

- i. Number of shares issued (including treasury stock) at the end of the period
 - FY2019 third quarter (as of September 30, 2019): 227,441,381
 - FY2018 (as of December 31, 2018): 227,441,381
- ii. Number of treasury stock at the end of the period
 - FY2019 third quarter (as of September 30, 2019): 5,876,778
 - FY2018 (as of December 31, 2018): 5,944,972
- iii. Average number of shares issued during the period
 - For the nine months ended September 30, 2019: 221,224,628
 - For the nine months ended September 30, 2018: 225,182,577

*This interim consolidated financial statement is outside the scope of quarterly review procedures.

*Appropriate Use of Forecast and Other Information and Other Matters

The above forecast is the assumptions of the Group's management on the basis of currently available information and, as such, contain risks and uncertainties. For this reason, investors are advised not to base investment decisions solely on these prospective results. Please note that actual results may materially differ from the projection due to such various factors as business and market environment the Group is active in, currency exchange rate fluctuations, and others.

*Supplementary Materials for the Quarterly Financial Results

Supplementary materials are available on our website.

(Attached Documents)

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1. Condensed Interim Consolidated Financial Statements (IFRS)

(1) Condensed Interim Consolidated Statements of Financial Position

(Unit: millions of yen)

	FY2018 (as of December 31, 2018)	FY2019 third quarter (as of September 30, 2019)
Assets		
Current assets		
Cash and cash equivalents	123,503	123,677
Trade receivables	260,111	256,333
Inventories	277,014	288,196
Other receivables	50,836	40,894
Income tax receivables	4,531	3,932
Other current assets	17,199	23,428
Total current assets	733,196	736,463
Non-current assets		
Property, plant and equipment	1,108,934	1,132,665
Goodwill	89,076	113,827
Intangible assets	56,645	53,830
Investments accounted for using equity method	35,245	35,321
Other financial assets	179,081	154,271
Deferred tax assets	20,140	20,343
Other non-current assets	13,455	14,249
Total non-current assets	1,502,580	1,524,509
Total assets	2,235,776	2,260,973

(Unit: millions of yen)

	FY2018 (as of December 31, 2018)	FY2019 third quarter (as of September 30, 2019)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	156,594	142,519
Short-term interest-bearing debt	67,281	87,576
Long-term interest-bearing debt due within one year	71,897	81,667
Other payables	143,202	150,506
Income tax payables	8,775	8,845
Provisions	929	2,945
Other current liabilities	14,417	14,521
Total current liabilities	463,098	488,582
Non-current liabilities		
Long-term interest-bearing debt	402,601	436,674
Deferred tax liabilities	34,989	33,015
Post-employment benefit liabilities	61,478	54,949
Provisions	8,049	8,355
Other non-current liabilities	11,954	11,728
Total non-current liabilities	519,074	544,724
Total liabilities	982,172	1,033,307
Equity		
Share capital	90,873	90,873
Capital surplus	94,368	93,900
Retained earnings	773,760	787,896
Treasury shares	(28,821)	(28,497)
Other components of equity	207,023	164,328
Total equity attributable to owners of the parent	1,137,204	1,108,502
Non-controlling interests	116,399	119,163
Total equity	1,253,604	1,227,665
Total liabilities and equity	2,235,776	2,260,973

(2) Condensed Interim Consolidated Statements of Profit or Loss and Consolidated Statements of Comprehensive Income

(Condensed Interim Consolidated Statements of Profit or Loss)

(Unit: millions of yen)

	For the nine months ended September 30, 2018 (Jan. 1 through Sep. 30, 2018)	For the nine months ended September 30, 2019 (Jan. 1 through Sep. 30, 2019)
Net sales	1,126,152	1,123,753
Cost of sales	(816,651)	(825,893)
Gross profit	309,501	297,860
Selling, general and administrative expenses	(223,596)	(225,438)
Share of profit (loss) of associates and joint ventures accounted for using equity method	1,119	1,187
Operating profit	87,024	73,609
Other income	10,482	7,664
Other expenses	(7,074)	(30,057)
Business profit	90,432	51,217
Finance income	7,812	10,020
Finance costs	(7,206)	(10,769)
Net finance costs	606	(749)
Profit before tax	91,038	50,467
Income tax expenses	(18,657)	(14,436)
Profit for the period	72,380	36,031
Attributable to:		
Owners of the parent	64,890	28,883
Non-controlling interests	7,490	7,147
Earnings per share		
Basic earnings per share (yen)	288.17	130.56
Diluted earnings per share (yen)	286.77	129.98

(Condensed Interim Consolidated Statements of Comprehensive Income)

(Unit: millions of yen)

	For the nine months ended September 30, 2018 (Jan. 1 through Sep. 30, 2018)	For the nine months ended September 30, 2019 (Jan. 1 through Sep. 30, 2019)
Profit for the period	72,380	36,031
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax		
Remeasurement of the net defined benefit liability (asset)	(678)	6,989
Net gain (loss) on revaluation of financial assets measured at FVTOCI ^(Note)	(4,741)	2,367
Share of other comprehensive income of associates and joint ventures accounted for using equity method	119	(73)
Total	(5,300)	9,283
Components of other comprehensive income that may be reclassified to profit or loss, net of tax		
Net gain (loss) in fair value of cash flow hedges	1,087	(358)
Exchange differences on translation of foreign operations	(25,481)	(40,632)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	14	-
Total	(24,378)	(40,991)
Other comprehensive income, net of tax	(29,679)	(31,707)
Total comprehensive income for the period	42,701	4,323
Attributable to:		
Owners of the parent	36,464	(1,645)
Non-controlling interests	6,236	5,969

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

(3) Condensed Interim Consolidated Statements of Changes in Equity
For the nine months ended September 30, 2018

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)
Balance as of January 1, 2018	90,873	101,420	735,653	(43,629)	(32,480)	105,270
Impact of change in accounting policy	-	-	(244)	-	-	-
Restated balance as of January 1, 2018	90,873	101,420	735,408	(43,629)	(32,480)	105,270
Changes in equity						
Comprehensive income						
Profit for the period	-	-	64,890	-	-	-
Other comprehensive income	-	-	-	-	(799)	(4,743)
Total comprehensive income for the period	-	-	64,890	-	(799)	(4,743)
Transactions with owners						
Dividends	-	-	(24,858)	-	-	-
Acquisition of treasury shares	-	-	-	(18,042)	-	-
Disposal of treasury shares	-	-	(59)	222	-	-
Cancellation of treasury shares	-	-	(15,166)	15,166	-	-
Transfer from other components of equity to retained earnings	-	-	7,180	-	-	(7,180)
Share-based payment transactions	-	107	-	-	-	-
Others (business combinations and others)	-	-	-	-	-	-
Total transactions with owners	-	107	(32,904)	(2,653)	-	(7,180)
Balance as of September 30, 2018	90,873	101,527	767,394	(46,282)	(33,279)	93,347

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the nine months ended September 30, 2018

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity		Total			
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2018	548	226,377	299,716	1,184,034	105,860	1,289,895
Impact of change in accounting policy	-	-	-	(244)	-	(244)
Restated balance as of January 1, 2018	548	226,377	299,716	1,183,790	105,860	1,289,650
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	64,890	7,490	72,380
Other comprehensive income	1,111	(23,994)	(28,425)	(28,425)	(1,253)	(29,679)
Total comprehensive income for the period	1,111	(23,994)	(28,425)	36,464	6,236	42,701
Transactions with owners						
Dividends	-	-	-	(24,858)	(2,349)	(27,208)
Acquisition of treasury shares	-	-	-	(18,042)	-	(18,042)
Disposal of treasury shares	-	-	-	162	-	162
Cancellation of treasury shares	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	(7,180)	-	-	-
Share-based payment transactions	-	-	-	107	-	107
Others (business combinations and others)	-	-	-	-	3,745	3,745
Total transactions with owners	-	-	(7,180)	(42,630)	1,396	(41,234)
Balance as of September 30, 2018	1,659	202,383	264,110	1,177,623	113,493	1,291,117

For the nine months ended September 30, 2019

(Unit: millions of yen)

	Equity attributable to owners of the parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Remeasurement of net defined benefit liability (asset)	Net gain (loss) on revaluation of financial assets measured at FVTOCI (Note)
Balance as of January 1, 2019	90,873	94,368	773,760	(28,821)	(37,767)	70,288
Impact of change in accounting policy	-	-	(168)	-	-	-
Restated balance as of January 1, 2019	90,873	94,368	773,591	(28,821)	(37,767)	70,288
Changes in equity						
Comprehensive income						
Profit for the period	-	-	28,883	-	-	-
Other comprehensive income	-	-	-	-	7,110	2,349
Total comprehensive income for the period	-	-	28,883	-	7,110	2,349
Transactions with owners						
Dividends	-	-	(26,582)	-	-	-
Acquisition of treasury shares	-	-	-	(12)	-	-
Disposal of treasury shares	-	-	(160)	336	-	-
Transfer from other components of equity to retained earnings	-	-	12,164	-	-	(12,164)
Share-based payment transactions	-	25	-	-	-	-
Others (business combinations and others)	-	(493)	-	-	-	-
Total transactions with owners	-	(467)	(14,578)	323	-	(12,164)
Balance as of September 30, 2019	90,873	93,900	787,896	(28,497)	(30,657)	60,473

(Note) FVTOCI: Fair Value Through Other Comprehensive Income

For the nine months ended September 30, 2019

(Unit: millions of yen)

	Equity attributable to owners of the parent			Total	Non-controlling interests	Total equity
	Other components of equity		Total			
	Net gain (loss) in fair value of cash flow hedges	Exchange differences on translation of foreign operations				
Balance as of January 1, 2019	103	174,399	207,023	1,137,204	116,399	1,253,604
Impact of change in accounting policy	-	-	-	(168)	(117)	(286)
Restated balance as of January 1, 2019	103	174,399	207,023	1,137,035	116,281	1,253,317
Changes in equity						
Comprehensive income						
Profit for the period	-	-	-	28,883	7,147	36,031
Other comprehensive income	(355)	(39,635)	(30,529)	(30,529)	(1,177)	(31,707)
Total comprehensive income for the period	(355)	(39,635)	(30,529)	(1,645)	5,969	4,323
Transactions with owners						
Dividends	-	-	-	(26,582)	(3,396)	(29,979)
Acquisition of treasury shares	-	-	-	(12)	-	(12)
Disposal of treasury shares	-	-	-	175	-	175
Transfer from other components of equity to retained earnings	-	-	(12,164)	-	-	-
Share-based payment transactions	-	-	-	25	-	25
Others (business combinations and others)	-	-	-	(493)	308	(185)
Total transactions with owners	-	-	(12,164)	(26,887)	(3,088)	(29,976)
Balance as of September 30, 2019	(251)	134,764	164,328	1,108,502	119,163	1,227,665

(4) Condensed Interim Consolidated Statements of Cash Flows

(Unit: millions of yen)

	For the nine months ended September 30, 2018 (Jan. 1 through Sep. 30, 2018)	For the nine months ended September 30, 2019 (Jan. 1 through Sep. 30, 2019)
Cash flows from operating activities		
Profit before tax	91,038	50,467
Depreciation and amortization	91,910	104,854
Impairment losses	262	22,302
Interest and dividend income	(7,541)	(8,906)
Interest expenses	6,544	9,447
Share of profit (loss) of associates and joint ventures accounted for using equity method	(1,119)	(1,187)
Loss (gain) on sale or disposal of non-current assets	(356)	1,274
Decrease (increase) in trade receivables	(4,789)	(254)
Decrease (increase) in inventories	(20,185)	(11,769)
Increase (decrease) in trade payables	(3,154)	(10,816)
Others	1,050	21,736
Subtotal	153,657	177,150
Interest and dividends received	7,837	9,108
Interest paid	(6,674)	(9,869)
Income taxes paid	(33,161)	(22,241)
Net cash from operating activities	121,659	154,147
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(146,953)	(143,712)
Proceeds from sale of property, plant and equipment	14,409	3,258
Purchase of other financial assets	(6,875)	(1,383)
Proceeds from sale and redemption of other financial assets	19,540	29,440
Purchase of subsidiaries or other businesses	(1,166)	(39,679)
Proceeds from sale of shares of subsidiaries or other businesses	3,860	-
Others	(2,085)	884
Net cash used in investing activities	(119,269)	(151,192)
Cash flows from financing activities		
Changes in short-term interest-bearing debt	27,275	23,665
Proceeds from borrowing or issuing long-term interest-bearing debt	97,743	75,534
Repayment or redemption of long-term interest-bearing debt	(68,418)	(68,220)
Proceeds from non-controlling interests	3,779	750
Acquisition of treasury shares	(18,042)	(12)
Dividends paid	(24,858)	(26,582)
Dividends paid to non-controlling interests	(2,349)	(3,396)
Others	87	9
Net cash used in financing activities	15,217	1,747
Effect of exchange rate changes on cash and cash equivalents	(4,240)	(4,528)
Net increase (decrease) in cash and cash equivalents	13,365	174
Cash and cash equivalents at the beginning of the period	126,417	123,503
Cash and cash equivalents at the end of the period	139,782	123,677

(5) Notes to the Condensed Interim Consolidated Financial Statements

(Changes in Accounting Policies)

The significant accounting policies adopted for the Group's Condensed Interim Consolidated Financial Statements are the same as those for the Consolidated Financial Statements for the fiscal year ended December 31, 2018, with the exception of the items described below.

Beginning from the fiscal year 2019, the Group has adopted IFRS 16 Leases (“IFRS 16”). In adopting IFRS 16, the Group has applied the modified retrospective approach of recognizing the cumulative effect of applying the standard as an adjustment to the beginning balance of retained earnings at the date of initial application with no restatement of the comparative period, which is approved as transitional measures.

During the year ended December 2018, the Group classified lease arrangements as finance leases when the lessor transfers substantially all the risks and rewards incidental to ownership of an asset to the Group. Leased assets are initially recognized at the lower of the fair value of the asset and the present value of the minimum lease payments. All other lease arrangements are classified as operating leases and are not reported in the Group's consolidated statements of financial position. Lease payments under an operating lease are recognized as an expense on a straight-line basis over the lease term.

From the fiscal year 2019, the Group, in accordance with IFRS 16, has determined whether a contract is, or contains, a lease, at the inception of the contract. A contract is determined to be a lease or contain a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. For the assessment of whether a contract that was concluded in or prior to the previous fiscal year is a lease, or contains a lease, the Group has applied the practical expedient of maintaining its previous assessment.

When a contract is determined to be a lease or contain a lease, the Group initially recognizes a right-of-use asset and a lease liability at the commencement date of the contract. A lease liability is initially measured at the discounted present value of unpaid lease payments at the commencement date of the contract. The right-of-use asset is initially measured at cost, which comprises the amount of the initial measurement of the lease liability, any initial direct costs incurred and prepaid lease payments, etc. The right-of-use asset is regularly depreciated over the economic life or the lease term of the underlying asset, whichever is shorter, from the commencement date of the contract. The Group does not recognize right-of-use assets and lease liabilities for leases with a lease term of 12 months or less or when the underlying assets are of low value, and recognizes lease payments as an expense on a straight-line basis over the lease term.

As a result of recognizing and measuring the lease transactions in accordance with IFRS 16, in the Condensed Interim Consolidated Statements of Financial Position at the beginning for the fiscal year 2019, the right-of-use assets and lease liabilities increased 38.9 billion yen and 39.2 billion yen, respectively. In the Condensed Interim Consolidated Statements of Financial Position, right-of-use assets are presented as Property, plant and equipment and lease liabilities are presented as Long-term interest-bearing debt due within one year or Long-term interest-bearing debt. Due to changes in the presentation of operating lease expenses, Cash flows from operating activities increased and Cash flows from financing activities decreased.

The breakdown of the difference between the amount of operating lease commitments as of the end of the fiscal year 2018 and the amount of lease liabilities at the date of initial application is as follows. In adopting IFRS 16 to lease transactions, which were previously classified as operating leases, the Group has applied recognition exemptions allowing the lessee not to recognize right-of-use assets and lease liabilities on leases with remaining lease terms of 12 months or less.

(Unit: millions of yen)

Operating lease commitments as of December 31, 2018	41,931
The weighted average rate of interest on incremental borrowing rate (%) as of January 1, 2019	1.8%
Operating lease commitments (after discount) as of January 1, 2019	38,358
Commitments related to short-term leases and leases of low-value assets for which lease liabilities are not recognized	(1,909)
Commitments related to leases which had been classified as finance leases	10,681
Others	2,798
Lease liabilities recognized as of January 1, 2019	49,929

With the exception of the standards described above, the following are the accounting standards applied by the Group from fiscal year 2019, in compliance with each transitional provision. The effect of the application of the following standards on the Group's Condensed Interim Consolidated Financial Statements is immaterial.

IFRS	Title	Summaries of new IFRS and amendments
IFRIC 23	Uncertainty over Income Tax Treatments	Clarification of accounting treatment for income taxes when there is uncertainty
IAS 19 (amended in February 2018)	Employee Benefits	Clarification of accounting treatment for plan amendments, curtailments and settlements
IAS 28 (amended in October 2017)	Investments in Associates and Joint Ventures	Clarification of accounting treatment for long-term interests in an associate or a joint venture

"Operating profit" in the Group's Condensed Interim Consolidated Statements of Profit or Loss is an indicator that facilitates continuous comparisons and evaluations of the Group's business performance. Main items of "other income" and "other expenses" are foreign exchange gains and losses, gains on sale of non-current assets, losses on disposal of non-current assets, impairment losses and expenses for restructuring programs. "Business profit" includes all income and expenses before finance income, finance costs and income tax expenses.

The Group calculated income tax expenses for the nine months ended September 30, 2019, based on the estimated average annual effective tax rate.

(Changes in Accounting Estimates)

In preparing the Group's Condensed Interim Consolidated Financial Statements, judgments, estimates and assumptions are made that affect the reported amounts of assets, liabilities, income and expenses. Therefore accounting estimates could differ from actual results.

Estimates and their assumptions are reviewed continuously. The effect of reviewing estimates and assumptions are recognized in the period in which those estimates and assumptions were reviewed and in future periods.

Estimates and assumptions that have a significant effect on the amounts recognized in the Group's condensed interim consolidated financial statements are in principle the same as the preceding fiscal year, with the exception of the item below.

(Impairment losses)

During the nine months ending September 30, 2019, due to the declining vehicle production and a shift in vehicle models in North America, the Group identified impairment indications that the Groups of assets, related to automotive glass business in the region included in the Glass segment, experienced decreases in profitability. Accordingly, the Group estimated recoverable amounts and recognized an impairment loss of ¥22,302 million. The recoverable amounts are based on fair value less costs of disposal.

(Segment Information)

The Group's reportable segments are components of the Group for which discrete financial information is available, and whose operating results are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess performance.

The Group had four in-house companies by product and service: Building & Industrial Glass, Automotive, Electronics and Chemicals. Each in-house company operates worldwide, formulating comprehensive domestic and overseas strategies for its products and services.

Building & Industrial Glass and Automotive share the same float glass manufacturing facilities (glass melting furnace) etc., which are the largest assets and situated the highest upstream in the supply chain. The two in-house companies share assets and liabilities, and ratio of utilization is influenced by fluctuations of demand and supply. Considering these situations, it is difficult to divide financial statements for the two in-house companies. Therefore, the Group prepares the financial statements of Building & Industrial Glass and Automotive as the Glass segment. In addition, decisions on assigning management resources are closely tied to the results of each business and inseparable from their performance evaluation. Therefore, with the participation of presidents of both in-house companies, the Group has established a "Glass Segment Council," which primarily functions to maintain synergies and maximize overall production in the Glass segment, and collaborates to maximize profits for the Group. Based on these circumstances, the Group reports the Glass segment as one.

Thus, the Group has three reportable segments: Glass, Electronics, and Chemicals.

Due to a change of corporate structure, the Company partially amended the reportable segment of cover glass for car-mounted displays from the "Electronics" segment to the "Glass" segment in FY2019.

Segment information in FY2018 is based on the classification of reportable segments in FY2019.

The main products of each reportable segment are as follows.

Reportable segment	Main products
Glass	Float flat glass, Figured glass, Polished wired glass, Low-E glass, Decorative glass, Fabricated glass for architectural use (Heat Insulating/shielding glass, Disaster-resistant/Security glass, Fire-resistant glass, etc.), Automotive glass, Cover glass for car-mounted displays, etc.
Electronics	LCD glass substrates, Specialty glass for display applications, Display related materials, Glass for solar power system, Fabricated glass for industrial use, Semiconductor process materials, Optoelectronics materials, Printed circuit board materials, Lighting glass products, Laboratory use ware, etc.
Chemicals	Polyvinyl chloride, Vinyl chloride monomer, Caustic soda, Urethane, Fluorinated resins, Water and oil repellents, Gases, Solvents, Pharmaceutical and agrochemical intermediates and active ingredients, Iodine-related products, etc.

For the nine months ended September 30, 2018 (January 1 through September 30, 2018)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	573,632	174,400	352,960	25,159	1,126,152	-	1,126,152
Inter-segment sales or transfers	876	6,470	1,933	33,675	42,954	(42,954)	-
Total sales	574,508	180,871	354,893	58,834	1,169,107	(42,954)	1,126,152
Segment profit (loss) (Operating profit)	18,398	15,928	50,282	2,417	87,027	(2)	87,024
Profit for the period	-	-	-	-	-	-	72,380

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost.
“Ceramics/Other” mainly handles ceramics products, logistics and financial services.

For the nine months ended September 30, 2019 (January 1 through September 30, 2019)

(Unit: millions of yen)

	Reportable segments			Ceramics/ Other	Total	Adjustments	Amount reported on condensed interim consolidated statements of profit or loss
	Glass	Electronics	Chemicals				
Sales to external customers	558,067	191,627	347,253	26,804	1,123,753	-	1,123,753
Inter-segment sales or transfers	1,162	9,068	1,039	34,193	45,465	(45,465)	-
Total sales	559,230	200,696	348,293	60,998	1,169,219	(45,465)	1,123,753
Segment profit (loss) (Operating profit)	9,679	16,908	43,904	3,103	73,596	13	73,609
Profit for the period	-	-	-	-	-	-	36,031

The amounts of inter-segment sales or transfers are primarily based on market prices and manufacturing cost.
“Ceramics/Other” mainly handles ceramics products, logistics and financial services.

(Notes to Other Income and Other Expenses)

Other Income

(Unit: millions of yen)

	For the nine months ended September 30, 2018 (Jan. 1 through Sep. 30, 2018)	For the nine months ended September 30 2019 (Jan. 1 through Sep. 30, 2019)
Foreign exchange gain	2,217	3,257
Gains on sale of non-current assets	3,296	1,105
Gains on sale of shares of subsidiaries	1,616	-
Others	3,351	3,301
Total	10,482	7,664

Other Expenses

(Unit: millions of yen)

	For the nine months ended September 30, 2018 (Jan. 1 through Sep. 30, 2018)	For the nine months ended September 30 2019 (Jan. 1 through Sep. 30, 2019)
Losses on disposal of non-current assets	(2,939)	(2,379)
Impairment losses	(262)	(22,302)
Expenses for restructuring programs	(1,444)	(4,024)
Others	(2,427)	(1,350)
Total	(7,074)	(30,057)

(Notes on Significant Subsequent Events)

No items to report