

(Translation)

## Summary of Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2022 (J-GAAP)

August 12, 2021

Listed Company Name: Oki Electric Industry Co., Ltd.

Securities Code: 6703

Stock Exchange Listing: Tokyo Stock Exchange

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Filing of Quarterly Securities Report (Scheduled): August 16, 2021

Commencement of Dividend Payment (Scheduled): –

Supplementary Document on Quarterly Financial Results: Yes

Quarterly Financial Results Briefing: Yes (for institutional investors)

(Amounts less than one million yen have been truncated)

### 1. Consolidated Financial Results for the Three Months Ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

#### (1) Consolidated operating results (cumulative)

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2021	79,869	(1.9)	(3,026)	–	(2,763)	–	(3,811)	–
June 30, 2020	81,375	(24.4)	(1,121)	–	(2,148)	–	(3,326)	–

(Note) Comprehensive income Three months ended June 30, 2021: ¥(4,529) million (–%)  
Three months ended June 30, 2020: ¥(3,394) million (–%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2021	(44.01)	–
June 30, 2020	(38.43)	–

(Note) The Company has adopted “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and related implementation guidance from the beginning of the fiscal year ending March 31, 2022 and figures for the year ending March 31, 2022 reflect this change of accounting method.

#### (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2021	356,241	107,006	30.0
As of March 31, 2021	373,213	113,265	30.3

(Reference) Shareholders' equity As of June 30, 2021: ¥106,788 million  
As of March 31, 2021: ¥113,023 million

(Note) The Company has adopted “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and related implementation guidance from the beginning of the fiscal year ending March 31, 2022 and figures for the year ending March 31, 2022 reflect this change of accounting method.

### 2. Dividends

	Dividend per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	–	0.00	–	20.00	20.00
Fiscal year ending March 31, 2022	–				
Fiscal year ending March 31, 2022 (Projection)		0.00	–	30.00	30.00

(Note) Revisions to dividend projection most recently announced: None

3. Consolidated Results Projection for the Fiscal Year Ending March 31, 2022  
(from April 1, 2021 to March 31, 2022)

(Percentage figures indicate year-on-year change)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	400,000	1.8	12,000	26.2	12,000	27.9	3,500	—	40.43

(Note) Revisions to operating results projection most recently announced: None

Notes:

- (1) Changes in significant subsidiaries during the period  
(changes in specified subsidiaries resulting in changes in the scope of consolidation): Yes  
New: - (Company name: - ), Excluded: 1 company (Company name: Oki Data Corporation)  
(Note) For details, please refer to “(4) Notes to Consolidated Financial Statements (Changes of significant subsidiaries during the three months ended June 30, 2021)” of “2. Consolidated Financial Statements and Significant Notes Thereto” on page 10 of the Attachment.
- (2) Application of accounting procedures specific to quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
  - 1) Changes in accounting policies in accordance with revision of accounting standards, etc.: Yes
  - 2) Any changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Restatements: None
 (Note) For details, please refer to “(4) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” of “2. Consolidated Financial Statements and Significant Notes Thereto” on page 10 of the Attachment.
- (4) Number of shares issued (common stock)
  - 1) Number of shares issued at the end of the period (including treasury shares)
    - As of June 30, 2021: 87,217,602 shares
    - As of March 31, 2021: 87,217,602 shares
  - 2) Number of treasury shares at the end of the period
    - As of June 30, 2021: 616,723 shares
    - As of March 31, 2021: 653,801 shares
  - 3) Average number of shares during the period
    - Three months ended June 30, 2021: 86,600,990 shares
    - Three months ended June 30, 2020: 86,564,875 shares

Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

Explanation regarding appropriate use of results projection and other special notes

(Warning on forward-looking statements)

The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. For the conditions assumed for the results projection and notes on the use of such projections, please refer to “(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other” of “1. Qualitative Information on Financial Results for the Period” on page 5 of the Attachment.

(How to obtain supplementary document on financial results)

The Company is scheduled to hold a financial results briefing for institutional investors on August 12, 2021 (Thursday). The document on financial results is disclosed on TDNet at the same time as this Summary of Consolidated Financial Results and is also made available on the Company’s website on the same day.

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## 1. Qualitative Information on Financial Results for the Period

### (1) Operating Results

#### 1) Overview of the first quarter of the fiscal year ending March 31, 2022 (April 1, 2021 to June 30, 2021)

As for the COVID-19, the situation has varied. With the progress of vaccination, economic activities in Europe and the United States have been normalized. On the other hand, emerging countries are forced to restrict their activities again due to the re-spread of COVID-19. The supply chain issues, such as shortages of semiconductors etc. and soaring raw material prices, have also become apparent.

In this environment, OKI continues to promote structural reforms with the aim of establishing a foundation for sustainable growth through the resolution of social issues. At the same time, based on the materiality of the OKI Group, we are working to realize products and services that resolve seven social issues (aging problems, natural disasters, traffic issues, environmental issues, labor shortages, labor productivity, and the infectious diseases).

Net sales for the first quarter of the fiscal year ending March 31, 2022 were ¥79.9 billion, a ¥1.5 billion or 1.9% decrease year-on-year. Sales of Mono-zukuri(manufacturing) Platforms for factory automation (FA) and semiconductor manufacturing equipment continued to recover from the end of the previous fiscal year, and demand for consumables increased as the U.S. and European economies recovered.

In terms of profits, operating loss was ¥0.3 billion, worsened by ¥1.9 billion year-on-year, largely due to the impact of a decrease in the sales volume, although cost reductions compensated for the sharp rise in semiconductor and other materials prices. The Company estimates that the emergence of supply chain issues had a negative impact on operating income of approximately ¥0.7 billion. Excluding this impact, it is making progress as planned.

Ordinary loss was ¥2.8 billion, worsened by ¥0.7 billion year-on-year, mainly due to an improvement in non-operating foreign exchange.

Loss attributable to owners of parent ¥3.8 billion, worsened by ¥0.5 billion year-on-year. In addition to the above factors, the Company recorded an extraordinary loss of ¥0.6 billion for business restructuring expenses associated with structural reforms at sales companies in Europe and the United States.

The Company has adopted “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29, March 31, 2020) and related implementation guidance from the beginning of the fiscal year ending March 31, 2022. As a result, net sales in the first quarter of the fiscal year ending March 31, 2022 increased by ¥0.8 billion. For details, please refer to “(4) Notes to Consolidated Financial Statements (Changes in Accounting Policies)” of “2. Consolidated Financial Statements and Significant Notes Thereeto.”

(Billions of yen)	Three months ended June 30, 2021	Three months ended June 30, 2020	Year-on-year change rate
Net sales	79.9	81.4	(1.9) %
Operating income (loss)	(3.0)	(1.1)	–
Ordinary income (loss)	(2.8)	(2.1)	–
Profit (loss) attributable to owners of parent	(3.8)	(3.3)	–

Net sales and operating income to external customers by business segment were as follows.

From the first quarter of the fiscal year ending March 31, 2022, the reportable segment classification and the method of measuring have been changed. Therefore, in the comparison of the same period of the previous fiscal year below, figures for the same period of the previous fiscal year are compared with figures reclassified according to the segment classification and measurement method after the change.

## 2) Results by business segment

### <Solution Systems>

Net sales came to ¥33.9 billion (a year-on-year decrease of 14.4% or ¥5.7 billion), and operating loss was ¥0.1 billion (worsened by ¥1.9 billion year-on-year). Excluding the impact of the supply chain, performance was generally as planned. Sales in the digital transformation (DX) area, which the Company plans to expand as a growth strategy, are steadily increasing toward the annual plan.

(Billions of yen)	Three months ended June 30, 2021	Three months ended June 30, 2020	Year-on-year change rate
Net sales	33.9	39.6	(14.4) %
Operating income(loss)	(0.1)	1.8	—

### <Components & Platforms>

Net sales came to ¥45.9 billion (a year-on-year increase of 10.2% or ¥4.3 billion). The impact of COVID-19 still remains in emerging countries, and the impact of supply chains is becoming apparent. On the other hand, in the Mono-zukuri Platforms business area, sales of FA/semiconductor manufacturing equipment continued to be strong, and in the Components business area, demand for printer consumables increased due to economic recovery in Europe and the United States, resulting in an increase in sales.

Operating loss was ¥1.6 billion (same as the previous year), partly due to an increase in costs resulting from upfront investment in automated machines.

(Billions of yen)	Three months ended June 30, 2021	Three months ended June 30, 2020	Year-on-year change rate
Net sales	45.9	41.6	10.2 %
Operating income(loss)	(1.6)	(1.6)	—

### <Others>

Net sales came to ¥0.1 billion (a year-on-year decrease of 43.6% or ¥0.1 billion) and operating income was ¥0.1 billion (a year-on-year increase of ¥0.1 billion.)

(Billions of yen)	Three months ended June 30, 2021	Three months ended June 30, 2020	Year-on-year change rate
Net sales	0.1	0.2	(43.6) %
Operating income(loss)	0.1	(0.0)	—

(2) Financial Position

1) Assets, liabilities, net assets, etc., at the end of the first three months of the fiscal year ending March 31, 2022

At the end of the period under review, total assets decreased by ¥17.0 billion from the end of the previous fiscal year to ¥356.2 billion. Shareholders' equity decreased ¥6.2 billion from the end of the previous fiscal year to ¥106.8 billion mainly due to the recording of ¥3.8 billion in loss attributable to owners of parent besides a distribution of ordinary dividends of ¥1.7 billion in the first three months of the fiscal year ending March 31, 2021. As a result, shareholders' equity ratio stood at 30.0%.

With respect to major changes in assets, notes and accounts receivable - trade, and contract assets decreased by ¥36.1 billion while cash and deposits increased by ¥10.6 billion.

With respect to major changes in liabilities, notes and accounts payable decreased by ¥6.8 billion. Borrowings decreased by ¥4.0 billion from ¥78.0 billion at the end of the previous fiscal year to ¥74.0 billion.

2) Cash flows for the first three months of the fiscal year ending March 31, 2022

For the period under review, net cash provided by operating activities amounted to ¥21.4 billion (¥16.0 billion of cash inflow for the same period of the previous fiscal year), due mainly to the decrease in working capital.

Net cash used in investing activities amounted to ¥4.3 billion (¥3.5 billion of cash outflow for the same period of the previous fiscal year), due mainly to the purchase of non-current assets.

As a result, free cash flow, which is the sum of cash flows from operating activities and cash flows from investing activities, resulted in a net inflow of ¥17.1 billion (net inflow of ¥12.5 billion for the same period of the previous fiscal year).

Net cash used in financing activities amounted to ¥6.6 billion (¥6.8 billion of cash outflow for the same period of the previous fiscal year), due mainly to repayment of borrowings and distribution of ordinary dividends.

Cash and cash equivalents at the end of the period under review came to ¥52.5 billion from ¥41.8 billion at the end of the previous fiscal year. In addition to the above factors, there was an increase of ¥0.1 billion in effect of exchange rate change on cash and cash equivalents.

(3) Forward-Looking Statements Including Projection for Consolidated Operating Results and Other

Since the business results for the first quarter of the fiscal year ending March 31, 2022 were generally within the scope of expectations, excluding the impact on the supply chain, the earning forecast announced on May 10, 2021 remain unchanged. We will continue to pay close attention to the material procurement risk and minimize its impact through flexible production adjustments and cost countermeasures.

In the event that a significant deviation from the figures in the initial plan is observed, having examined the environment in which the business operates, such as future exchange rate fluctuations, market trends and supply chain situation etc., the Company will implement prompt disclosure.

(Warning on forward-looking statements)

The forward-looking statements including the projection for the financial results contained in this document are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable, and actual results may differ from such statements due to a variety of factors. Major factors that may affect actual results include market trends, a sharp rise in raw material prices, abrupt currency fluctuations and disasters. It should be noted, however, that factors that may affect actual results are not limited to these items.

## 2. Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of June 30, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	44,845	55,414
Notes and accounts receivable - trade	105,371	—
Notes and accounts receivable - trade, and contract assets	—	69,254
Finished goods	14,889	15,882
Work in process	14,558	15,936
Raw materials and supplies	17,937	20,021
Other	24,732	28,734
Allowance for doubtful accounts	(165)	(183)
Total current assets	222,170	205,060
Non-current assets		
Property, plant and equipment	51,314	52,245
Intangible assets	13,637	13,907
Investments and other assets		
Investment securities	38,632	37,035
Other	47,458	47,992
Total investments and other assets	86,091	85,027
Total non-current assets	151,043	151,180
Total assets	373,213	356,241
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	56,706	49,900
Short-term borrowings	38,123	36,733
Provisions	4,469	5,005
Other	54,852	55,469
Total current liabilities	154,151	147,108
Non-current liabilities		
Long-term borrowings	39,848	37,301
Provision for retirement benefits for directors (and other officers)	286	232
Other provisions	905	982
Retirement benefit liability	31,419	31,572
Other	33,336	32,037
Total non-current liabilities	105,795	102,125
Total liabilities	259,947	249,234
<b>Net assets</b>		
Shareholders' equity		
Share capital	44,000	44,000
Capital surplus	19,029	19,006
Retained earnings	56,315	50,775
Treasury shares	(919)	(868)
Total shareholders' equity	118,425	112,913
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,570	2,559
Deferred gains or losses on hedges	82	29
Foreign currency translation adjustment	(8,655)	(8,813)
Remeasurements of defined benefit plans	(399)	100
Total accumulated other comprehensive income	(5,401)	(6,124)
Share acquisition rights	168	138
Non-controlling interests	74	79
Total net assets	113,265	107,006
Total liabilities and net assets	373,213	356,241



(2) Consolidated Statements of Income and Comprehensive Income  
(Consolidated Statements of Income)  
(For the Three Months Ended June 30, 2020 and 2021)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Net sales	81,375	79,869
Cost of sales	60,565	60,759
Gross profit	20,810	19,110
Selling, general and administrative expenses	21,931	22,136
Operating loss	(1,121)	(3,026)
Non-operating income		
Interest income	7	12
Dividend income	370	349
Foreign exchange gains	—	389
Miscellaneous income	213	296
Total non-operating income	591	1,048
Non-operating expenses		
Interest expenses	393	334
Foreign exchange losses	575	—
Miscellaneous expenses	649	450
Total non-operating expenses	1,618	785
Ordinary loss	(2,148)	(2,763)
Extraordinary losses		
Business restructuring expenses	639	599
Total extraordinary losses	639	599
Loss before income taxes	(2,788)	(3,362)
Income taxes - current	(82)	274
Income taxes - deferred	614	166
Total income taxes	531	440
Loss	(3,320)	(3,803)
Profit attributable to non-controlling interests	6	7
Loss attributable to owners of parent	(3,326)	(3,811)

(Consolidated Statements of Comprehensive Income)  
(For the Three Months Ended June 30, 2020 and 2021)

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
Loss	(3,320)	(3,803)
Other comprehensive income		
Valuation difference on available-for-sale securities	(894)	(1,011)
Deferred gains or losses on hedges	(100)	(53)
Foreign currency translation adjustment	521	(159)
Remeasurements of defined benefit plans, net of tax	398	499
Total other comprehensive income	(74)	(725)
Comprehensive income	(3,394)	(4,529)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(3,403)	(4,534)
Comprehensive income attributable to non-controlling interests	9	5

## (3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2020	Three months ended June 30, 2021
<b>Cash flows from operating activities</b>		
Loss before income taxes	(2,788)	(3,362)
Depreciation	2,951	3,096
Increase (decrease) in provisions	(916)	377
Interest and dividend income	(378)	(362)
Interest expenses	393	334
Decrease (increase) in trade receivables	31,298	35,987
Decrease (increase) in inventories	(7,314)	(4,384)
Increase (decrease) in trade payables	(7,647)	(6,991)
Other, net	511	(2,868)
Subtotal	16,109	21,825
Interest and dividends received	378	362
Interest paid	(336)	(278)
Income taxes paid	(113)	(525)
Net cash provided by (used in) operating activities	16,037	21,384
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,747)	(2,585)
Purchase of intangible assets	(769)	(1,949)
Proceeds from sale of businesses	—	199
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(1,045)	—
Other payments	(281)	(178)
Other proceeds	298	242
Net cash provided by (used in) investing activities	(3,545)	(4,271)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	1,105	(1,429)
Repayments of long-term borrowings	(3,027)	(2,547)
Dividends paid	(3,845)	(1,543)
Repayments of lease obligations	(1,127)	(1,101)
Other, net	52	51
Net cash provided by (used in) financing activities	(6,841)	(6,570)
Effect of exchange rate change on cash and cash equivalents	(50)	139
Net increase (decrease) in cash and cash equivalents	5,599	10,682
Cash and cash equivalents at beginning of period	46,517	41,830
Cash and cash equivalents at end of period	52,116	52,512

(4) Notes to Consolidated Financial Statements

(Going Concern Assumption)

Not applicable

(Significant Changes in Shareholders' Equity)

Not applicable

(Changes of significant subsidiaries during the three months ended June 30, 2021)

For the first three months ended June 30, 2021, Oki Data Corporation, the Company's specified company and wholly owned subsidiary, is excluded from the scope of consolidation since it disappeared due to an absorption-type merger in which the Company was the surviving company.

(Changes in Accounting Policies)

(Adoption of the Accounting Standard for Revenue Recognition)

The Company has adopted "Accounting Standard for Revenue Recognition" (ASBJ Statement No.29, March 31, 2020) and related implementation guidance from the beginning of the fiscal year ending March 31, 2022, and recognize revenue at the amount expected to be received in exchange for its goods or services when the dominance of the promised goods or services is transferred to a customers.

As a result of its change, revenue is recognized over a certain period of time as performance obligations are fulfilled for contract manufacturing and various types of work, except for very short-term work. In the past, the Company used to apply the percentage of completion standard to all construction projects and contract manufacturing, except for those that are very short term, and the completion standard to all other construction projects, when the results of the construction projects were deemed certain. The Company also uses the input method, which is calculated as the ratio of the actual cost to the estimated total cost, as a method to estimate the progress of fulfillment of the performance obligation. In cases where it is not possible to reasonably estimate the degree of progress in fulfilling the performance obligations, but it is expected that expenses incurred will be recovered, revenue is recognized only within the scope of the actual costs incurred.

With regard to the adoption of the Accounting Standard for Revenue Recognition, in accordance with the transitional treatment stipulated in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition, the cumulative effect of retroactively adopting the new accounting policy prior to the beginning of the fiscal year ending March 31, 2022, has been added to or deducted from retained earnings at the beginning of the fiscal year ending March 31, 2022 and the new accounting policy has been adopted from the beginning balance of the fiscal year ending March 31, 2022. However, the Company does not apply the new accounting policy retroactively to contracts for which the Company had recognized the amount of almost all revenues before the beginning of the first quarter under review according to the previous handling by applying the method stipulated in Paragraph 86 of the Accounting Standard for Revenue Recognition. In addition, applying the method stipulated in the in-addition clause (1) of Paragraph 86 of the Accounting Standard for Revenue Recognition, the Company accounted for changes in contracts that had been entered into before the beginning of the first quarter under review based on the terms of the contracts after reflecting all the changes in contracts and adds and subtracts their cumulative effects to and from retained earnings at the beginning of the first quarter under review.

As a result, net sales and cost of sales increased by ¥758 million and ¥668 million, respectively, and selling, general and administrative expenses decreased by ¥161 million. Operating income improved by ¥251 million. As a result of a ¥9 million decrease in non-operating expenses, ordinary income and income before income taxes and minority interests each improved by ¥260 million. The impact on retained earnings at the beginning of the first quarter of the current fiscal year is minimal.

In accordance with the application of Accounting Standard for Revenue Recognition and related implementation guidance from the first quarter of the current fiscal year, notes and accounts receivable, which were included in in the consolidated balance sheets of the previous fiscal year, have been included in "notes and accounts receivable - trade and contract assets". The Company has not reclassified the previous consolidated fiscal year using the new presentation method in accordance with the transitional treatment prescribed in Article 89, Paragraph -2 of the Accounting Standard for Revenue Recognition.

(Adoption of the Accounting Standard for Fair Value Measurement)

The Group has adopted “Accounting Standard for Fair Value Measurement” (ASBJ Statement No.30, July 4, 2019) and related implementation guidance from the beginning of the fiscal year ending March 31, 2022. Based on the transitional treatment prescribed in Paragraph 19 of the Accounting Standard for Fair Value Measurement and Paragraph 44-2 of the “Accounting Standard for Financial Instruments” (ASBJ Statement No.10, July 4, 2019), the Group have decided to apply the new accounting policies set forth by the Accounting Standard for Fair Value Measurement into the future. These changes had no impact on the quarterly consolidated financial statements.

(Additional Information)

(COVID-19 impact)

Based on the assumption that the spread of COVID-19 will continue for a certain period of time in the current consolidated fiscal year, the OKI Group (the Company and its consolidated subsidiaries) reflects the accounting estimate (determining the recoverability of deferred tax assets and indicators of impairment of fixed assets) in its accounting treatment.

However, the impact of COVID-19 is highly uncertain, and future results may differ from these estimates and assumptions.

## (Segment Information)

## I First three months of the fiscal year ended March 31, 2020 (from April 1, 2020 to June 30, 2020)

## Information about amounts of net sales, income and loss by reportable segment

(Millions of yen)

	Reportable segments			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Solution Systems	Components & Platforms	Total				
Net sales							
Net sales to external customers	39,619	41,600	81,220	155	81,375	—	81,375
Intersegment net sales or transfers	770	1,300	2,071	3,144	5,215	(5,215)	—
Total	40,389	42,901	83,291	3,300	86,591	(5,215)	81,375
Segment income (loss)	1,750	(1,625)	125	(38)	86	(1,208)	(1,121)

- (Notes)
1. “Others” consists of businesses not included in the reportable segments, such as provision of services, and manufacturing and sales of other equipment products.
  2. The adjustment to segment income or loss of ¥(1,208) million includes the elimination of intersegment transactions of ¥101 million, corporate expenses not allocated to each reportable segment of ¥(1,339) million, and an adjustment to non-current assets of ¥29 million. Corporate expenses are mainly general and administrative expenses and research and development expenses that are not attributable to the reportable segments.
  3. Segment income or loss is adjusted with operating income in the consolidated statements of income.

## II First three months of the fiscal year ending March 31, 2021 (from April 1, 2021 to June 30, 2021)

## 1. Information about amounts of net sales, income and loss by reportable segment

(Millions of yen)

	Reportable segments			Others (Note 1)	Total	Adjustment (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Solution Systems	Components & Platforms	Total				
Net sales							
Net sales to external customers	33,924	45,856	79,781	87	79,869	—	79,869
Intersegment net sales or transfers	97	889	986	2,255	3,241	(3,241)	—
Total	34,021	46,746	80,767	2,343	83,111	(3,241)	79,869
Segment income (loss)	(72)	(1,607)	(1,679)	51	(1,628)	(1,398)	(3,026)

- (Notes)
1. “Others” consists of businesses not included in the reportable segments, such as provision of services, and manufacturing and sales of other equipment products.
  2. The adjustment to segment income or loss of ¥(1,398) million includes the elimination of intersegment transactions of ¥87 million, corporate expenses not allocated to each reportable segment of ¥(1,516) million, and an adjustment to non-current assets of ¥30 million. Corporate expenses are mainly general and administrative expenses and research and development expenses that are not attributable to the reportable segments.
  3. Segment income or loss is adjusted with operating loss in the consolidated statements of income.

## 2. Matters related to changes in reportable segments

### (Change in segment classification)

From the first quarter of the fiscal year ending March 31, 2022, Oki Micro Engineering Co., Ltd. and its subsidiaries, which were previously included in the “Others” category, have been reclassified into the “Components & Platforms business” category for the purpose of improving earnings by sharing resources and improving efficiency with subsidiaries in the Components & Platforms business.

Segment information for the first three months of the previous fiscal year is prepared based on the reportable segment classification after the change.

### (Change in the measurement method)

From the first quarter of the current fiscal year, Oki Data Corporation has been incorporated into the Components & Platforms business as a result of the merger. Therefore, cases where Oki Data Corporation provided only its printer products to external customers via the Company, which was previously included in the Solution Systems business, has been reclassified into the Components & Platforms business.

The segment information for the first three months of the previous fiscal year has also been prepared based on the changed measurement method.