

THIRD QUARTER BRIEF REPORT OF FINANCIAL RESULTS [IFRS] (Consolidated)
(Year ending March 31, 2021)

February 5, 2021

Registered

Company Name: MINEBEA MITSUMI Inc. Common Stock Listings: Tokyo and Nagoya

Code No: 6479 URL: <https://www.minebeamitsumi.com/>

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Quarterly report filing date: February 15, 2021

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Expected date of payment for dividends: —

Preparation of supplementary explanation material for quarterly financial results : Yes

Holding of presentation meeting for quarterly financial results : Yes (For Analyst)

(Amounts less than one million yen have been rounded.)

1. Business Performance (April 1, 2020 through December 31, 2020)

(1) Consolidated Results of Operations (Year-to-date) (%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change	Profit before income taxes (millions of yen)	% Change
Nine months ended Dec. 31, 2020	737,439	(1.9)	42,516	(8.1)	41,641	(9.9)
Nine months ended Dec. 31, 2019	751,548	7.5	46,246	(28.9)	46,219	(28.5)

	Profit for the period (millions of yen)	% Change	Profit for the period attributable to owners of the parent (millions of yen)	% Change	Comprehensive income for the period (millions of yen)	% Change
Nine months ended Dec. 31, 2020	33,014	(9.3)	32,984	(7.2)	40,381	10.0
Nine months ended Dec. 31, 2019	36,380	(29.2)	35,547	(30.3)	36,694	(24.8)

	Earnings per share, basic (yen)	Earnings per share, diluted (yen)
Nine months ended Dec. 31, 2020	80.76	78.98
Nine months ended Dec. 31, 2019	85.64	83.77

(Notes) At March 31, 2020, provisional accounting treatments for business combinations through acquisition of U-Shin Ltd. was finalized, and the contents of finalization of the provisional accounting treatments are reflected on the figures for the year ended March 31, 2020.

(2) Consolidated Financial Position

	Total assets (millions of yen)	Total equity (millions of yen)	Total equity attributable to owners of the parent (millions of yen)	Equity ratio attributable to owners of the parent (%)
As of Dec. 31, 2020	954,715	430,418	427,845	44.8
As of Mar. 31, 2020	864,481	402,276	394,372	45.6

2. Dividends

	Annual dividends				
	End of first quarter (yen)	End of second quarter (yen)	End of third quarter (yen)	Year-end (yen)	For the year (yen)
Year ended Mar. 31, 2020	—	14.00	—	14.00	28.00
Year ending Mar. 31, 2021	—	14.00	—		
Year ending Mar. 31, 2021 (Forecast)				14.00	28.00

(Notes) Changes from the latest dividend forecast: Yes

3. Prospect for Consolidated Forecast for the Fiscal Year (April 1, 2020 through March 31, 2021)

(%: Changes from corresponding period of previous fiscal year)

	Net sales (millions of yen)	% Change	Operating income (millions of yen)	% Change
Year ending Mar. 31, 2021	980,000	0.2	58,000	(1.1)

	Profit for the period attributable to owners of the parent (millions of yen)	% Change	Earnings per share, basic (yen)
Year ending Mar. 31, 2021	45,000	(2.1)	110.19

(Notes) Changes from the latest consolidated results forecast: Yes

* Notes

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

Anew: 1 company ABLIC Inc.

(2) Changes in accounting policies, or changes in accounting estimates

1. Changes in accounting policies required by IFRS: None

2. Changes in accounting policies other than 1: None

3. Changes in accounting estimates: None

(3) Number of shares outstanding (Common stock)

1. Number of shares outstanding at the end of each period (Including treasury stock)

As of December 31, 2020: 427,080,606 shares

As of March 31, 2020: 427,080,606 shares

2. Number of treasury shares at the end of each period

As of December 31, 2020: 18,678,265 shares

As of March 31, 2020: 18,676,128 shares

3. Average number of shares (Quarterly cumulative period)

Nine months ended December 31, 2020: 408,403,546 shares

Nine months ended December 31, 2019: 415,073,353 shares

* These quarterly financial results are not subject to quarterly review procedures by a certified public accountant or an audit corporation.

* Explanation for appropriate use of financial forecasts and other special remarks

(Caution Concerning Forward-Looking Statements)

The aforementioned forecasts are based on the information available as of the date when this information is disclosed as well as on the assumptions as of the disclosing date of this information related to unpredictable parameters that will most likely affect our future business performance. As such, this is not intended for the Company to give assurance that the said forecast number would be achieved. In other words, our actual performances are likely to differ greatly from these estimates depending on a variety of factors that will take shape from now on. As for the assumptions used for these forecasts and other related items, please refer to “1. Qualitative information related to the financial results for the quarter,” “(3) Explanation of Consolidated Forecast and Other Forecasts” on page 5 of the documents attached hereunder. (Investor Briefing Materials for Analysts)

Investor briefing materials will be made available via our corporate website (<https://www.minebeamitsumi.com/>) on Friday, February 5, 2021.

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1. Qualitative information related to the financial results for the quarter

(1) Explanation of Operating Results

During the first nine months of the fiscal year (April 1, 2020 to December 31, 2020), the future of the Japanese economy remained uncertain. Although exports and consumption declined substantially due to the spread of COVID-19, the worst appears to be behind us as automobile sales recover globally and exports, particularly to China, have rebounded. In the United States, aggressive monetary easing steps have been taken, but the global economic downswing caused by the spread of COVID-19 has resulted in a substantial decrease in exports and capital investment. In Europe, lockdowns implemented due to the prolonged impact of COVID-19 have caused significant economic deceleration. In Asia, China saw resumed economic activity. In addition to this, investment by the Chinese government in infrastructure, real estate, and information and communications brought on a trend toward recovery. However, the future remains uncertain due to concern over further intensification of trade friction between the United States and China.

Working against this backdrop, the MinebeaMitsumi Group concentrated on cutting costs, creating high-value-added products, developing new technologies, and enhancing its marketing approach to boost profitability further.

As a result, net sales were down 14,109 million yen (-1.9%) year on year to 737,439 million yen. Operating income was down 3,730 million yen (-8.1%) year on year to 42,516 million yen, profit before income taxes was down 4,578 million yen (-9.9%) to 41,641 million yen, and profit for the period attributable to owners of the parent was down 2,563 million yen (-7.2%) to 32,984 million yen.

ABLIC Inc. was made a subsidiary on April 30, 2020. The company has been included in the scope of consolidation in conjunction with the business integration. This includes the company's profits and losses from the date of the business integration on.

Provisional accounting treatments for business combinations through acquisition of U-Shin Ltd. were finalized at the end of the previous fiscal year, and the contents of finalization of the provisional accounting treatments are reflected on the figures for the same period of the previous year.

Performance by segment was as follows:

The main products in our Machined components segment include our anchor product line, ball bearings, in addition to mechanical components such as rod-end bearings used primarily in aircraft and hard disk drive (HDD) pivot assemblies, etc. as well as fasteners for aircraft. Sales of ball bearings were down due to decreased demand in the automobile market despite solid demand from fan motors. Rod-end bearing sales decreased due to decreased aircraft-related demand. Pivot assembly sales were down due to shrinking of the HDD market.

As a result, net sales were down 23,161 million yen (-17.0%) year on year to 113,268 million yen, and operating income was down 8,120 million yen (-26.6%) to 22,376 million yen.

The core products of our Electronic devices and components segment include electronic devices (devices such as LED backlights for LCDs, sensing devices (measuring components), etc.), HDD spindle motors, stepping motors, DC motors, air movers, and special devices. Net sales of LED backlights for LCDs were down due to decreased demand associated with a decrease in the number of smartphone models using them.

As a result, net sales were down 21,438 million yen (-7.4%) year on year to 268,952 million yen, and operating income was down 2,870 million yen (-19.3%) to 11,969 million yen.

The main products in the MITSUMI business segment are semiconductor devices, optical devices, mechanical components, high frequency components and power supply components. Semiconductor and optical devices performed well as did game consoles and other mechanical components, resulting in an increase in net sales.

Profit and loss of ABLIC Inc. are included in the MITSUMI business segment in conjunction with its acquisition.

As a result, net sales were up 51,796 million yen (22.5%) year on year to 281,617 million yen, and operating income was up 4,486 million yen (31.0%) to 18,940 million yen.

The main products in the U-Shin business segment are key sets, door latches, door handles, and other automotive components as well as industrial components and housing equipment components (such as building and house locks). Sales of automotive components were down substantially due to deceleration of the automotive market. Market deceleration also caused a decrease in sales of industrial components.

As a result, net sales were down 21,397 million yen (-22.7%) year on year to 72,870 million yen, and operating income was down 2,195 million yen (-76.1%) to 689 million yen.

Machines produced in-house are the main products in our Other business segment. Net sales were up 91 million yen (14.2%) year on year to 732 million yen, while the operating loss increased 217 million yen year on year to total 1,335 million yen.

In addition to the figures noted above, 10,123 million yen in corporate expenses, etc. not belonging to any particular segment is indicated as adjustments. The total amount of adjustments was 15,309 million yen for the same period of the previous fiscal year.

(2) Explanation of Financial Position

1. Assets, liabilities and equity

Our Group sees “strengthening our financial position” as a top priority and is taking various steps, such as efficient controlling of capital investments, asset management, and reducing interest-bearing debt. We will reform our portfolio to increase the weight of our highly profitable core businesses and engage in highly effective M&A, promoting an appropriate and flexible financial strategy.

Total assets at the end of the third quarter were 954,715 million yen, up 90,234 million yen from the end of the previous fiscal year. The main reason for this uptick was an increase in trade and other receivables, goodwill, and property, plant and equipment.

Total liabilities at the end of the third quarter were 524,297 million yen, up 62,092 million yen from the end of the previous fiscal year. The main reason for this was an increase in bonds and borrowings.

Equity came to 430,418 million yen, bringing the equity ratio attributable to owners of the parent down 0.8 percentage points from the end of the previous fiscal year to 44.8%.

2. Cash flows

Cash and cash equivalents at the end of the third quarter were 134,497 million yen, up 3,751 million yen from the end of the previous fiscal year.

Cash flows from various business activities during the first nine months of the fiscal year and relevant factors were as follows:

Net cash provided by operating activities came to 43,744 million yen (compared to 52,706 million yen in the same period of the previous year). This was primarily due to profit before income taxes, depreciation and amortization, increases and decreases in trade and other receivables, and in trade and other payables. Net cash flows used in investing activities came to 57,781 million yen (compared to 36,398 million yen in the same period of the previous year). This was primarily due to purchase of property, plant and equipment and purchase of investments in subsidiaries resulting in change in scope of consolidation, etc. Net cash flows provided by financing activities came to 19,884 million yen (compared to 9,830 million yen used in the same period of the previous year). This was primarily due to increases and decreases in short-term borrowings, etc.

(3) Explanation of Consolidated Forecast and Other Forecasts

In addition to third quarter results exceeding the initial forecast, we expect demand for electronic devices, semiconductors, ball bearings, and other products to remain strong in the fourth quarter. As such, in regard to the financial forecasts last revised in November of last year, we have once again revised the forecast for net sales upward from 940,000 million yen to 980,000 million yen, the forecast for operating income from 50,000 million yen to 58,000 million yen, and the forecast for profit for the period attributable to owners of the parent from 39,000 million yen to 45,000 million yen.

There is a possibility of some temporary expenses (such as for restructuring and for PPA at ABLIC) arising, but we are currently conducting a careful review, so these have not been included in the above forecasts.

Full-year consolidated business forecast for the fiscal year ending March 31, 2021

(From April 1, 2020 to March 31, 2021)

	Net sales (millions of yen)	Operating income (millions of yen)	Profit for the period attributable to owners of the parent (millions of yen)
Previous forecast (A) (announced on November 6, 2020)	940,000	50,000	39,000
Revised forecast (B)	980,000	58,000	45,000
Difference (B - A)	40,000	8,000	6,000

(4) Basic Policy for Profit Sharing and Dividend for the Current Fiscal Year

Sharing profits with our shareholders is first priority at MinebeaMitsumi. That is why our basic dividend policy gives priority to enhancing equity efficiency and improving returns to our shareholders. Dividends, while reflecting performance, are determined in light of the overall business environment and with an eye to maintaining a stable and continuous distribution of profits.

Under this basic policy, we made the interim dividend 14 yen per share. We foresee the year-end dividend of 14 yen per share.

2. Condensed Quarterly Consolidated Financial Statements and Major Notes
(1) Condensed Quarterly Consolidated Statements of Financial Position

(Amount: millions of yen)

	As of March 31, 2020	As of December 31, 2020
Assets		
Current assets		
Cash and cash equivalents	130,746	134,497
Trade and other receivables	182,890	214,303
Inventories	169,803	174,251
Other financial assets	18,057	20,004
Other current assets.....	14,375	19,454
Total current assets.....	515,871	562,509
Non-current assets		
Property, plant and equipment.....	275,064	288,320
Goodwill	18,626	43,842
Intangible assets	13,798	13,865
Other financial assets	18,896	22,165
Deferred tax assets.....	18,008	19,972
Other non-current assets.....	4,218	4,042
Total non-current assets.....	348,610	392,206
Total assets.....	864,481	954,715

(Amount: millions of yen)

	As of March 31, 2020	As of December 31, 2020
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	143,964	147,749
Bonds and borrowings	95,268	141,251
Other financial liabilities	6,984	8,629
Income taxes payable	2,905	7,512
Provisions	4,353	4,399
Other current liabilities	42,209	40,717
Total current liabilities	295,683	350,257
Non-current liabilities		
Bonds and borrowings	126,444	132,134
Other financial liabilities	13,639	14,774
Net defined benefit liabilities	22,482	23,203
Provisions	579	568
Deferred tax liabilities	1,702	1,668
Other non-current liabilities	1,676	1,693
Total non-current liabilities	166,522	174,040
Total liabilities	462,205	524,297
Equity		
Common stock	68,259	68,259
Capital surplus	134,707	139,318
Treasury stock	(34,455)	(34,470)
Retained earnings	234,667	256,216
Other components of equity	(8,806)	(1,478)
Total equity attributable to owners of the parent	394,372	427,845
Non-controlling interests	7,904	2,573
Total equity	402,276	430,418
Total liabilities and equity	864,481	954,715

(2) Condensed Quarterly Consolidated Statements of Income
and Condensed Quarterly Consolidated Statements of Comprehensive Income
(Condensed Quarterly Consolidated Statements of Income)

Nine months ended December 31

(Amount: millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Net sales	751,548	737,439
Cost of sales	626,654	613,357
Gross profit	124,894	124,082
Selling, general and administrative expenses	80,674	78,818
Other income	2,913	4,065
Other expenses	887	6,813
Operating income	46,246	42,516
Finance income	1,423	1,164
Finance expenses	1,450	2,039
Profit before income taxes	46,219	41,641
Income taxes	9,839	8,627
Profit for the period	36,380	33,014
Profit for the period attributable to:		
Owners of the parent	35,547	32,984
Non-controlling interests	833	30
Profit for the period	36,380	33,014
Earnings per share (EPS)		
Basic (Yen)	85.64	80.76
Diluted (Yen)	83.77	78.98

Three months ended December 31

(Amount: millions of yen)

	Three months ended December 31, 2019	Three months ended December 31, 2020
Net sales	267,650	275,709
Cost of sales	218,121	228,378
Gross profit	49,529	47,331
Selling, general and administrative expenses	26,644	27,549
Other income	553	763
Other expenses	139	950
Operating income	23,299	19,595
Finance income	462	363
Finance expenses	515	566
Profit before income taxes	23,246	19,392
Income taxes	3,880	3,227
Profit for the period	19,366	16,165
Profit for the period attributable to:		
Owners of the parent	19,232	16,172
Non-controlling interests	134	(7)
Profit for the period	19,366	16,165
Earnings per share (EPS)		
Basic (Yen)	46.35	39.60
Diluted (Yen)	45.32	38.71

(Condensed Quarterly Consolidated Statements of Comprehensive Income)

Nine months ended December 31

(Amount: millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Profit for the period.....	36,380	33,014
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax:		
Net changes in revaluation of equity instruments measured at fair value through other comprehensive income.....	994	1,911
Remeasurement of defined benefit plans.....	(197)	—
Sub-total	797	1,911
Components of other comprehensive income that will be reclassified to profit or loss, net of tax:		
Foreign exchange differences on translation of foreign operations	(499)	3,926
Cash flow hedges.....	16	1,530
Sub-total	(483)	5,456
Other comprehensive income, net of tax	314	7,367
Comprehensive income for the period	36,694	40,381
Comprehensive income attributable to:		
Owners of the parent.....	36,126	40,312
Non-controlling interests.....	568	69
Comprehensive income for the period.....	36,694	40,381

Three months ended December 31

(Amount: millions of yen)

	Three months ended December 31, 2019	Three months ended December 31, 2020
Profit for the period.....	19,366	16,165
Other comprehensive income		
Components of other comprehensive income that will not be reclassified to profit or loss, net of tax:		
Net changes in revaluation of equity instruments measured at fair value through other comprehensive income.....	1,542	961
Remeasurement of defined benefit plans.....	(197)	—
Sub-total	1,345	961
Components of other comprehensive income that will be reclassified to profit or loss, net of tax:		
Foreign exchange differences on translation of foreign operations	10,468	4,059
Cash flow hedges.....	(3)	603
Sub-total	10,465	4,662
Other comprehensive income, net of tax	11,810	5,623
Comprehensive income for the period	31,176	21,788
Comprehensive income attributable to:		
Owners of the parent.....	30,860	21,793
Non-controlling interests.....	316	(5)
Comprehensive income for the period.....	31,176	21,788

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

(Amount: millions of yen)

	Equity attributable to owners of the parent					
	Common stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity	
					Foreign currency translation	Cash flow hedge
Balance as of April 1, 2019	68,259	137,464	(19,448)	202,172	8,387	(76)
Profit for the period				35,547		
Other comprehensive income					(234)	16
Comprehensive income for the period	—	—	—	35,547	(234)	16
Purchase of treasury stock			(1,181)			
Dividends				(11,624)		
Increase of consolidated subsidiaries						
Transactions with non-controlling interests		(2,705)				
Transfer to retained earnings				(111)		
Total transactions with owners	—	(2,705)	(1,181)	(11,735)	—	—
Balance as of December 31, 2019	68,259	134,759	(20,629)	225,984	8,153	(60)

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total		
	Net changes in revaluation of equity instruments measured at fair value through other comprehensive income	Remeasurement of defined benefit plans	Subtotal			
Balance as of April 1, 2019	2,945	—	11,256	399,703	7,557	407,260
Profit for the period				35,547	833	36,380
Other comprehensive income	994	(197)	579	579	(265)	314
Comprehensive income for the period	994	(197)	579	36,126	568	36,694
Purchase of treasury stock				(1,181)		(1,181)
Dividends				(11,624)	(22)	(11,646)
Increase of consolidated subsidiaries				—	4,904	4,904
Transactions with non-controlling interests				(2,705)	(5,071)	(7,776)
Transfer to retained earnings	(86)	197	111	—		—
Total transactions with owners	(86)	197	111	(15,510)	(189)	(15,699)
Balance as of December 31, 2019	3,853	—	11,946	420,319	7,936	428,255

(Amount: millions of yen)

	Equity attributable to owners of the parent					
	Common stock	Capital surplus	Treasury stock	Retained earnings	Other components of equity	
					Foreign currency translation	Cash flow hedge
Balance as of April 1, 2020	68,259	134,707	(34,455)	234,667	(8,807)	(1,007)
Profit for the period				32,984		
Other comprehensive income					3,887	1,530
Comprehensive income for the period	—	—	—	32,984	3,887	1,530
Purchase of treasury stock			(244)			
Disposal of treasury stock		11	229			
Dividends				(11,435)		
Transactions with non-controlling interests		4,600				
Total transactions with owners	—	4,611	(15)	(11,435)	—	—
Balance as of December 31, 2020	68,259	139,318	(34,470)	256,216	(4,920)	523

	Equity attributable to owners of the parent			Non-controlling interests	Total Equity
	Other components of equity		Total		
	Net changes in revaluation of equity instruments measured at fair value through other comprehensive income	Subtotal			
Balance as of April 1, 2020	1,008	(8,806)	394,372	7,904	402,276
Profit for the period			32,984	30	33,014
Other comprehensive income	1,911	7,328	7,328	39	7,367
Comprehensive income for the period	1,911	7,328	40,312	69	40,381
Purchase of treasury stock			(244)		(244)
Disposal of treasury stock			240		240
Dividends			(11,435)	(43)	(11,478)
Transactions with non-controlling interests			4,600	(5,357)	(757)
Total transactions with owners	—	—	(6,839)	(5,400)	(12,239)
Balance as of December 31, 2020	2,919	(1,478)	427,845	2,573	430,418

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Amount: millions of yen)

	Nine months ended December 31, 2019	Nine months ended December 31, 2020
Cash flows from operating activities:		
Profit before income taxes	46,219	41,641
Depreciation and amortization.....	34,622	35,965
Interest income and dividends income	(1,314)	(927)
Interest expenses	1,168	1,195
Loss (gain) on sale and disposal of property, plant and equipment	(584)	(238)
Decrease (increase) in trade and other receivables.....	(24,157)	(27,469)
Decrease (increase) in inventories.....	(16,823)	3,404
Increase (decrease) in trade and other payables.....	22,031	(8,036)
Other.....	1,502	4,760
Subtotal	62,664	50,295
Interest received.....	990	684
Dividends received	301	253
Interest paid.....	(902)	(1,169)
Income taxes paid.....	(10,347)	(6,319)
Net cash flows provided by operating activities	52,706	43,744
Cash flows from investing activities:		
Decrease (increase) in time deposits.....	(2,117)	(608)
Purchase of property, plant and equipment	(36,999)	(33,192)
Proceeds from sales of property, plant and equipment	5,038	1,204
Purchase of intangible assets.....	(838)	(1,005)
Purchase of securities	(1,655)	(1,257)
Proceeds from sale and redemption of securities.....	1,548	1,219
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation.....	47	—
Purchase of investments in subsidiaries resulting in change in scope of consolidation.....	(1,822)	(24,160)
Other.....	400	18
Net cash flows used in investing activities	(36,398)	(57,781)
Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	(8,025)	44,671
Proceeds from long-term borrowings	50,220	—
Repayments of long-term borrowings	(29,253)	(4,416)
Redemption of bonds	(100)	—
Acquisition of non-controlling interests.....	(7,693)	(5,377)
Proceeds from disposal of treasury stock.....	—	240
Purchase of treasury stock.....	(1,181)	(244)
Dividends paid	(11,624)	(11,435)
Dividends paid to non-controlling interests.....	(22)	(43)
Repayments of lease liabilities.....	(2,152)	(3,512)
Net cash flows used in financing activities	(9,830)	19,884
Effect of exchange rate changes on cash and cash equivalents	(4,884)	(2,096)
Increase (decrease) in cash and cash equivalents	1,594	3,751
Cash and cash equivalents at beginning of period	122,432	130,746
Cash and cash equivalents at end of period	124,026	134,497

(5) Notes on Condensed Quarterly Consolidated Financial Statements
 (Notes on Going Concern Assumptions)
 Not applicable.

(Segment Information)

Information related to sales and income (loss) by reportable segments
 (Nine months ended December 31, 2019)

(Amount: millions of yen)

	Reportable segment				Other *1	Adjustments *2	Consolidated
	Machined components	Electronic devices and components	MITSUMI business	U-Shin business			
Net sales							
Net sales to customers	136,429	290,390	229,821	94,267	641	—	751,548
Net sales to other segment	4,115	4,234	1,403	—	2,061	(11,813)	—
Total	140,544	294,624	231,224	94,267	2,702	(11,813)	751,548
Segment profit (loss)	30,496	14,839	14,454	2,884	(1,118)	(15,309)	46,246
Finance income	—	—	—	—	—	—	1,423
Finance expenses	—	—	—	—	—	—	1,450
Profit before income taxes	—	—	—	—	—	—	46,219

(Nine months ended December 31, 2020)

(Amount: millions of yen)

	Reportable segment				Other *1	Adjustments *2	Consolidated
	Machined components	Electronic devices and components	MITSUMI business	U-Shin business			
Net sales							
Net sales to customers	113,268	268,952	281,617	72,870	732	—	737,439
Net sales to other segment	3,612	4,203	1,569	—	1,301	(10,685)	—
Total	116,880	273,155	283,186	72,870	2,033	(10,685)	737,439
Segment profit (loss)	22,376	11,969	18,940	689	(1,335)	(10,123)	42,516
Finance income	—	—	—	—	—	—	1,164
Finance expenses	—	—	—	—	—	—	2,039
Profit before income taxes	—	—	—	—	—	—	41,641

(Notes) *1. The classification of “Other” refers to business units not included in the reportable segments.

Their products are mainly machines made in-house.

*2. The amount of the adjustment is as follows.

Adjustments to segment profit (loss) are corporate expenses such as general and administrative expenses in addition to research and development expenses that do not belong to the reportable segments. Retirement benefit expenses of 2,790 million yen is included as a result of the revision of the Labor Protection Act in Thailand for the first nine months of the previous year.

3. Provisional accounting treatments for business combinations through acquisition of U-Shin Ltd. was finalized at the end of the previous fiscal year, and the contents of finalization of the provisional accounting treatments are reflected on the figures for the first nine months of the previous year.