

Consolidated Financial Results
for the Second Quarter of the Fiscal Year 2019
Ending March 31, 2020
[Japanese GAAP]



November 8, 2019

Company name: JAMCO Corporation
 Stock exchange listing: Tokyo Stock Exchange
 Stock Exchange Code: 7408
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 The date of filing quarterly securities report: November 11, 2019
 The start date of payout of dividend: —
 Availability of supplementary briefing material on quarterly financial results: Yes
 Schedule of quarterly financial results briefing session: Yes (for institutional investors)

(Amounts are rounded down to the nearest million yen.)

1. Consolidated Operating Results for the Second Quarter of the Fiscal Year 2019 (from April 1, 2019 to September 30, 2019)

(1) Consolidated Operating Results (%: Changes from the previous corresponding period)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
For the second quarter of								
Fiscal year 2019	40,554	0.5	784	(63.6)	384	(84.0)	73	(94.9)
Fiscal year 2018	40,354	6.1	2,152	12.9	2,394	27.9	1,430	38.2

(Note) Comprehensive income: The second quarter of fiscal year 2019: ¥ (108) million [-%]
 The second quarter of fiscal year 2018: ¥1,566 million [17.1%]

	Net income per share	Diluted net income per share
	Yen	Yen
For the second quarter of		
Fiscal year 2019	2.73	-
Fiscal year 2018	53.32	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2019	108,797	30,045	27.1
As of March 31, 2019	102,980	30,715	29.3

(Reference) Equity: As of September 30, 2019: ¥29,514 million
 As of March 31, 2019: ¥30,173 million

2. Dividend distribution

	Dividend distribution per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year 2018	Yen -	Yen 0.00	Yen -	Yen 20.0	Yen 20.0
Fiscal year 2019	-	0.00			
Fiscal year 2019 (Planned)			-	20.0	20.0

(Note) Revision to the plan of dividend distribution announced most recently: Yes

The plan of year-end dividend distribution was revised. For details, please refer to “Notice of Revision to the Full Year Consolidated Financial Results Forecast and Plan of Dividend Distribution” announced today.

3. Consolidated Financial Results Forecast for the Fiscal Year 2019 (from April 1, 2019 to March 31, 2020)

(%: Changes from the previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income attributable to shareholders of parent company		Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	92,600	10.1	2,900	(32.9)	2,200	(33.1)	1,300	(31.9)	48.46

(Note) Revision to the forecast of consolidated financial results announced most recently: Yes

The consolidated financial results forecast was revised. For details, please refer to “Notice of Revision to the Full Year Consolidated Financial Results Forecast and Plan of Dividend Distribution” announced today.

* Notes:

(1) Changes in significant subsidiaries during this quarter of the fiscal year 2019: None

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

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

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Number of common shares issued

1) Number of common shares outstanding (including the number of treasury stock):

As of September 30, 2019: 26,863,974 shares

As of March 31, 2019: 26,863,974 shares

2) Number of treasury stock:

As of September 30, 2019: 38,932 shares

As of March 31, 2019: 38,832 shares

3) Average number of common shares outstanding:

2nd quarter of FY 2019: 26,825,099 shares

2nd quarter of FY 2018: 26,825,201 shares

***Notes:**

- *1. This document is an English translation of a statement written initially in Japanese. The Japanese original document should be considered as the primary version.
- *2. These quarterly financial results are outside the scope of quarterly review by certified public accountants or audit firms.

***3. Explanation of the proper use of financial results forecast and other notes**

The earnings forecasts and other statements herein are based on information currently available to the Company and certain premises that the Company deems to be reasonable. Actual results may differ significantly from these forecasts due to a wide range of factors.

The Company intends to hold a briefing session for institutional investors on November 19, 2019. The materials distributed at the briefing session are scheduled to be posted on the Company's corporate website.

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Explanation of Operating Results

During the second quarter of FY 2019, there were growing signs of a slowdown in the global economy amid weakness in the Chinese and European economies due mainly to concerns on rising tension over the trade issue between the U.S. and China as well as confusion stemming from Brexit, despite continued moderate growth in the U.S. economy. The dollar-yen exchange rate generally showed a trend of a yen appreciation, moving within the range of the lower ¥112 to the lower ¥105 per US\$1.

In the air transportation industry, while fierce competition continues due to aggressive efforts of low-cost carriers (LCCs), major airlines are launching various strategies such as securing new flight routes, enhancing passenger cabin services, and entering into LCC business as a result of growing global demand for air transportation. Although the impact of the Boeing 737 MAX aircraft grounding is a matter of temporary concern, both Boeing and Airbus have continued to maintain a high level of order backlog, backed by rising aircraft demand over the medium to long term. With plans to increase production of some models, along with progress in the development of new models aiming at improved fuel efficiency, the aircraft market is expected to remain robust.

Under such circumstances, in the aircraft interiors business and the aircraft seat business, we worked to identify the cause and verify safety in response to the inappropriate quality issues announced on March 26, 2019, and implemented corrective/preventive measures, while proceeding with efforts to raise awareness of both compliance and quality to a higher level.

Meanwhile, the business class seat “Venture” developed by the Company was installed on the Boeing 787, which went into operation by KLM Royal Dutch Airlines.

In the aircraft components business, we took initiatives to improve productivity, while proceeding with in-house production of interiors and seat parts by applying the metal processing technologies we have accumulated over the years.

In the aircraft maintenance business, we continued with initiatives to ensure flight safety and enhance quality, while endeavoring to expand aircraft maintenance for airlines such as by opening the Itami Branch.

As a result, on a consolidated basis, during the second quarter of FY 2019, the Company posted net sales of ¥40,554 million (up ¥200 million compared to the same period of the previous fiscal year), operating income of ¥784 million (down ¥1,368 million compared to the same period of the previous fiscal year), ordinary income of ¥384 million (down ¥2,010 million compared to the same period of the previous fiscal year) and net income attributable to shareholders of parent company of ¥73 million (down ¥1,357 million compared to the same period of the previous fiscal year).

Provision for loss on construction contracts of ¥3,713 million for construction to be completed in or after the quarterly third quarter of FY 2019 was recognized as of September 30, 2019. The impact of this provision for loss on construction contracts on income (loss) for the quarterly second quarter of FY 2019 was an increase of ¥260 million in cost of sales (provision for loss on construction contracts as of June 30, 2019 was ¥3,452 million) and, for the cumulative second quarter of FY 2019, a decrease of ¥67 million in cost of sales (provision for loss on construction contracts at the end of the previous fiscal year was ¥3,781 million).

Selling, general and administrative expenses, non-operating income (expenses), and extraordinary income (loss) are as follows:

Selling, general and administrative expenses were ¥3,878 million (a decrease of ¥580 million compared to the same period of the previous fiscal year), due mainly to decreases in warranty expenses and sales commissions.

In terms of non-operating income (expenses), an expense of ¥400 million was reported due mainly to a deterioration in foreign exchange gains (losses) resulting from the appreciation of the yen in the foreign exchange market from the end of the previous fiscal year (an income of ¥242 million in the same period of the previous fiscal year).

As for extraordinary income (loss), a loss of ¥256 million was reported due mainly to loss related to quality

(a loss of ¥126 million in the same period of the previous fiscal year).

Business performance by segment is as follows.

[Aircraft Interiors Business]

In the aircraft interiors business, net sales decreased from the same period of the previous fiscal year due to a temporary delay in the shipment of products owing to the response to inappropriate quality issues. Ordinary income decreased from the same period of the previous fiscal year, mainly reflecting a decline in the number of shipments of profitable programs compared with the favorable number in the same period of the previous fiscal year and foreign exchange losses incurred, in addition to the impact of a decrease in net sales and increases in personnel expenses and transportation costs for improving shipment delays.

As a result, the aircraft interiors business posted net sales of ¥27,066 million (down ¥463 million compared to the same period of the previous fiscal year) and ordinary income of ¥955 million (down ¥2,128 million compared to the same period of the previous fiscal year).

[Aircraft Seat Business]

In the aircraft seat business, net sales increased from the same period of the previous fiscal year due to the shipment of the business class seat “Venture.” Meanwhile, an ordinary loss was reported due mainly to additional expenses incurred as a result of shifting orders to other production bases following the temporary suspension of production owing to responses to inappropriate quality issues at Miyazaki JAMCO Corporation, as well as foreign exchange losses incurred.

As a result, the aircraft seat business posted net sales of ¥7,238 million (up ¥277 million compared to the same period of the previous fiscal year) and ordinary loss of ¥728 million (ordinary loss of ¥674 million in the same period of the previous fiscal year).

[Aircraft Components Business]

In the aircraft components business, net sales remained flat over the same period of the previous fiscal year. Meanwhile, an ordinary loss was reported due mainly to the postponement of shipments of some profitable programs to the quarterly third quarter and thereafter, as well as foreign exchange losses incurred.

As a result, the aircraft components business posted net sales of ¥2,658 million (up ¥2 million compared to the same period of the previous fiscal year) and ordinary loss of ¥124 million (ordinary loss of ¥62 million in the same period of the previous fiscal year).

[Aircraft Maintenance Business]

In the aircraft maintenance business, net sales increased from the same period of the previous fiscal year due to continued solid performance of aircraft maintenance and equipment maintenance for airlines. In addition, ordinary income increased from the same period of the previous fiscal year due mainly to the impact of an increase in net sales and initiatives to improve profitability.

As a result, the aircraft maintenance business posted net sales of ¥3,590 million (up ¥384 million compared to the same period of the previous fiscal year) and ordinary income of ¥283 million (up ¥235 million compared to the same period of the previous fiscal year).

[Others]

The Others segment includes the businesses of the consolidated subsidiary Orange JAMCO Corporation, and we were able to make steady progress mainly in inter-segment transactions, including assistance work in the aircraft interiors business.

As a result, the Others segment posted net sales of ¥0 million (up ¥0 million compared to the same period of the previous fiscal year) and ordinary loss of ¥1 million (ordinary income of ¥0 million in the same period of the previous fiscal year).

(2) Explanation of Financial Position

[Assets, liabilities and net assets]

Total assets as of September 30, 2019 amounted to ¥108,797 million, up ¥5,816 million from the end of the previous fiscal year. Of such, total current assets increased by ¥5,867 million from the end of the previous fiscal year, due mainly to an increase in raw materials and supplies (up ¥2,927 million compared to the end of the previous fiscal year), an increase in work in process (up ¥2,255 million compared to the end of the previous fiscal year) and an increase in notes and accounts receivable – trade (up ¥1,608 million compared to the end of the previous fiscal year), despite a decrease in cash and deposits (down ¥1,950 million compared to the end of the previous fiscal year). Total non-current assets decreased by ¥50 million from the end of the previous fiscal year due to decreases in property, plant and equipment (down ¥59 million compared to the end of the previous fiscal year) and investments and other assets (down ¥50 million compared to the end of the previous fiscal year), and an increase in intangible assets (up ¥59 million compared to the end of the previous fiscal year) as a result of relatively limited investment for the second quarter of FY 2019.

Total liabilities amounted to ¥78,751 million, up ¥6,486 million from the end of the previous fiscal year. This was attributable primarily to an increase in short-term loans payable (up ¥8,305 million compared to the end of the previous fiscal year) and an increase in notes and accounts payable – trade (up ¥1,101 million compared to the end of the previous fiscal year), which offset the decrease in income taxes payable (down ¥1,303 million compared to the end of the previous fiscal year).

Total net assets amounted to ¥30,045 million, down ¥669 million from the end of the previous fiscal year. This was due primarily to a decrease in retained earnings (down ¥463 million compared to the end of the previous fiscal year) as a result of cash dividend payment and other factors. As a result, the equity ratio stood at 27.1%.

[Cash flows]

During the second quarter of FY 2019, cash and cash equivalents on a consolidated basis amounted to a cash outflow of ¥1,793 million, as a result of the cash flows described below.

(Cash flows from operating activities)

During the second quarter of FY 2019, net cash used in operating activities amounted to a cash outflow of ¥8,033 million. This was due to a cash outflow from increases in inventories and notes and accounts receivable – trade.

(Cash flows from investing activities)

During the second quarter of FY 2019, net cash used in investing activities amounted to a cash outflow of ¥1,226 million due mainly to outflows from the purchase of property, plant and equipment.

(Cash flows from financing activities)

During the second quarter of FY 2019, net cash provided by financing activities amounted to a cash inflow of ¥7,507 million. The cash inflow was mainly because proceeds from loans payable from financial institutions exceeded outflows from repayments of loans payable.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Net sales for the cumulative second quarter of FY 2019 decreased due to a temporary delay in shipments of some products as a result of responses to inappropriate quality issues related to the aircraft interiors business and the aircraft seat business. Products that have been delayed in shipment is expected to be shipped out from the quarterly third quarter of FY 2019 during which corrective/preventive measures will be implemented for the inappropriate quality issues. As such, net sales are expected to recover from the consolidated financial results forecast announced on May 10, 2019. There have been no cancellations of orders and recalls.

Meanwhile, income is expected to decrease due mainly to the impact of losses incurred through the cumulative second quarter of FY 2019, including additional expenses related to responses to the inappropriate quality issues, increases in personnel expenses and transportation costs for improving shipment delays, and expenses for shifting orders to other production bases as a response measure to the temporary suspension of production, as well as an additional provision for loss on construction contracts recorded as a result of an increase in the costs of some

programs. Accordingly, the consolidated financial results forecast for the fiscal year ending March 31, 2020 has been revised.

In addition, the exchange rate in or after the quarterly third quarter of FY 2019 assumed for the consolidated financial results forecast is unchanged at ¥105 per US\$1.

For details, please refer to “Notice of Revision to the Full Year Consolidated Financial Results Forecast and Plan of Dividend Distribution” announced today.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Thousand yen)

	As of March 31, 2019	As of September 30, 2019
Assets		
Current assets		
Cash and deposits	5,822,330	3,872,306
Notes and accounts receivable - trade	22,571,490	24,179,717
Merchandise and finished goods	2,240,670	1,999,006
Work in process	30,282,883	32,538,825
Raw materials and supplies	16,203,864	19,130,992
Other	3,484,320	4,757,009
Allowance for doubtful accounts	(3,388)	(8,542)
Total current assets	80,602,172	86,469,315
Non-current assets		
Property, plant and equipment	13,988,321	13,928,421
Intangible assets	1,750,249	1,809,783
Investments and other assets	6,640,107	6,589,905
Total non-current assets	22,378,679	22,328,110
Total assets	102,980,852	108,797,426
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,821,292	9,923,115
Electronically recorded obligations - operating	8,910,255	9,067,411
Short-term loans payable	17,404,112	25,709,187
Current portion of long-term loans payable	2,300,000	2,100,000
Income taxes payable	1,465,270	161,727
Advances received	10,675,352	10,343,259
Accrued expense-salary	1,696,645	1,734,387
Provision for loss on construction contracts	3,781,190	3,713,496
Provision for loss related to quality	67,817	-
Other	4,434,703	3,203,822
Total current liabilities	59,556,639	65,956,407
Non-current liabilities		
Long-term loans payable	3,700,000	3,600,000
Liability for employee retirement benefits	7,070,783	7,076,802
Provision for loss on compensation	921,541	964,609
Other	1,016,411	1,153,731
Total non-current liabilities	12,708,736	12,795,143
Total liabilities	72,265,376	78,751,550

(Thousand yen)

	As of March 31, 2019	As of September 30, 2019
Net assets		
Shareholders' equity		
Capital stock	5,359,893	5,359,893
Capital surplus	4,309,484	4,309,484
Retained earnings	20,413,755	19,950,489
Treasury stock	(30,968)	(31,175)
Total shareholders' equity	30,052,165	29,588,692
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	166,007	133,022
Deferred gains or losses on hedges	50,597	46,125
Foreign currency translation adjustment	121,844	(51,365)
Accumulated adjustment for employee retirement benefits	(217,091)	(201,822)
Total accumulated other comprehensive income	121,358	(74,040)
Non-controlling interests	541,951	531,223
Total net assets	30,715,475	30,045,875
Total liabilities and net assets	102,980,852	108,797,426

(2) Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income
Second Quarter of the Fiscal Year (from April 1 to September 30)

(Thousand yen)

	The second quarter of FY 2018	The second quarter of FY 2019
Net sales	40,354,098	40,554,735
Cost of sales	33,741,683	35,891,354
Gross profit	6,612,414	4,663,381
Selling, general and administrative expenses	4,459,675	3,878,864
Operating income	2,152,738	784,516
Non-operating income		
Interest income	18,205	24,545
Dividend income	3,794	4,182
Foreign exchange gains	438,042	-
Share of profit of entities accounted for using equity method	26,117	2,868
Subsidy income	68,707	67,940
Other	23,859	57,103
Total non-operating income	578,726	156,640
Non-operating expenses		
Interest expenses	194,990	206,447
Foreign exchange losses	-	193,256
Compensation expenses	70,106	56,950
Other	71,418	100,423
Total non-operating expenses	336,515	557,077
Ordinary income	2,394,949	384,080
Extraordinary loss		
Loss on disposal of non-current assets	126,835	13,329
Loss on disaster	-	12,440
Loss related to quality	-	230,663
Total extraordinary loss	126,835	256,433
Income before taxes	2,268,114	127,646
Income taxes – current	854,842	63,893
Income taxes – deferred	(1,573)	(42,870)
Total income taxes	853,269	21,022
Net income	1,414,844	106,623
Net income (loss) attributable to non-controlling shareholders	(15,601)	33,386
Net income attributable to shareholders of parent company	1,430,446	73,236

Quarterly Consolidated Statements of Comprehensive Income
 Second Quarter of the Fiscal Year (from April 1 to September 30)

(Thousand yen)

	The second quarter of FY 2018	The second quarter of FY 2019
Net income	1,414,844	106,623
Other comprehensive income		
Valuation difference on available-for-sale securities	24,521	(32,985)
Deferred gains or losses on hedges	(237,506)	(4,471)
Foreign currency translation adjustment	332,592	(192,645)
Adjustment for employee retirement benefits	27,383	15,268
Share of other comprehensive income of entities accounted for using equity method	4,877	-
Total other comprehensive income	151,868	(214,834)
Comprehensive income	1,566,713	(108,210)
Comprehensive income attributable to		
Comprehensive income attributable to shareholders of parent company	1,537,267	(122,162)
Comprehensive income attributable to non-controlling shareholders	29,446	13,952

(3) Quarterly Consolidated Statements of Cash Flows
Second Quarter of the Fiscal Year (from April 1 to September 30)

(Thousand yen)

	The second quarter of FY 2018	The second quarter of FY 2019
Cash flows from operating activities		
Income before taxes	2,268,114	127,646
Depreciation	1,057,010	1,307,280
Increase (decrease) in liability for employee retirement benefits	137,474	(39,790)
Increase (decrease) in provisions	436,375	18,362
Interest and dividend income	(21,999)	(28,728)
Interest expenses	194,990	206,447
Foreign exchange losses (gains)	334,427	(112,159)
Share of loss (profit) of entities accounted for using equity method	(26,117)	(2,868)
Decrease (increase) in notes and accounts receivable - trade	2,687,201	(2,796,311)
Decrease (increase) in inventories	(2,942,164)	(5,097,796)
Increase (decrease) in notes and accounts payable - trade	1,159,455	1,318,418
Increase (decrease) in advances received	271,566	(423,239)
Decrease/increase in consumption taxes receivable/payable	(17,981)	(33,962)
Other	(111,858)	(993,167)
Subtotal	5,426,493	(6,549,868)
Interest and dividend income received	40,678	28,728
Interest expenses paid	(191,857)	(210,244)
Income taxes paid	(548,537)	(1,301,621)
Net cash provided by (used in) operating activities	4,726,775	(8,033,004)
Cash flows from investing activities		
Purchase of property, plant and equipment	(687,767)	(1,019,545)
Proceeds from sales of property, plant and equipment	523	3,315
Purchase of investment securities	(251,040)	(498)
Payments of loans receivable	(1,000)	-
Collection of loans receivable	1,260	1,220
Decrease (increase) in time deposits	220,520	108,630
Other	(167,131)	(319,942)
Net cash provided by (used in) investing activities	(884,635)	(1,226,820)
Cash flows from financing activities		
Increase in short-term loans payable	34,881,520	35,921,928
Decrease in short-term loans payable	(38,531,947)	(27,402,716)
Proceeds from long-term loans payable	1,200,000	400,000
Repayments of long-term loans payable	(600,000)	(700,000)
Repayments of lease obligations	(119,886)	(151,635)
Purchase of treasury stock	(108)	(207)
Cash dividends paid	(535,184)	(535,658)
Cash dividends paid to non-controlling shareholders	(54,100)	(24,680)
Net cash provided by (used in) financing activities	(3,759,706)	7,507,030
Effect of exchange rate changes on cash and cash equivalents	76,585	(40,468)
Net increase (decrease) in cash and cash equivalents	159,019	(1,793,263)
Cash and cash equivalents, beginning of period	2,399,235	4,046,170
Cash and cash equivalents, end of period	2,558,255	2,252,906

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

There is no relevant information.

(Notes in the case of significant changes in shareholders' equity)

There is no relevant information.

(Changes in accounting policies)

The second quarter of FY 2019 (from April 1, 2019 to September 30, 2019)

(Changes in accounting policies)

Overseas consolidated subsidiaries which adopt the International Financial Reporting Standards (IFRS) have adopted IFRS 16 Leases from the first quarter of FY 2019.
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The impact of the adoption of this accounting standard on quarterly consolidated financial statements is minor.

(Segment information, etc.)

[Segment information]

I. For the second quarter of FY 2018

1. Information on net sales and income (loss) by reportable segment

(Thousand yen)

	Reportable segment					Others (Note)	Total
	Aircraft Interiors Business	Aircraft Seat Business	Aircraft Components Business	Aircraft Maintenance Business	Total		
Net sales							
Net sales to outside customers	27,530,537	6,960,877	2,656,783	3,205,887	40,354,085	12	40,354,098
Inter-segment net sales or transfers	808,450	120,359	9,509	26,734	965,053	54,481	1,019,534
Total	28,338,988	7,081,236	2,666,292	3,232,621	41,319,139	54,493	41,373,632
Segment income (loss)	3,083,481	(674,484)	(62,289)	47,745	2,394,453	496	2,394,949

(Note) The Others segment includes the businesses of affiliate Orange JAMCO Corporation. Orange JAMCO Corporation is a special-purpose subsidiary, dedicated to promoting the employment of people with disabilities and provides assistance work in the Company's factories, which is one of the corporate social responsibilities.

2. Differences between the total amount of income (loss) of reportable segments and the amounts in the Quarterly Consolidated Statement of Income and the major details of such differences
(Matters relating to adjustment of differences)

(Thousand yen)

Income	Amount
Reportable segments total	2,394,453
Income of Others	496
Ordinary income in the Quarterly Consolidated Statement of Income	2,394,949

3. Information on impairment loss on non-current assets and goodwill by reportable segment
There is no relevant information.

II. For the second quarter of FY 2019

1. Information on net sales and income (loss) by reportable segment

(Thousand yen)

	Reportable segment					Others (Note)	Total
	Aircraft Interiors Business	Aircraft Seat Business	Aircraft Components Business	Aircraft Maintenance Business	Total		
Net sales							
Net sales to outside customers	27,066,707	7,238,872	2,658,885	3,590,240	40,554,706	29	40,554,735
Inter-segment net sales or transfers	279,727	85,959	24,222	38,509	428,419	54,791	483,210
Total	27,346,434	7,324,832	2,683,108	3,628,750	40,983,126	54,820	41,037,946
Segment income (loss)	955,121	(728,197)	(124,659)	283,616	385,881	(1,801)	384,080

(Note) The Others segment includes the businesses of affiliate Orange JAMCO Corporation. Orange JAMCO Corporation is a special-purpose subsidiary, dedicated to promoting the employment of people with disabilities and provides assistance work in the Company's factories, which is one of the corporate social responsibilities.

2. Differences between the total amount of income (loss) of reportable segments and the amounts in the Quarterly Consolidated Statement of Income and the major details of such differences
(Matters relating to adjustment of differences)

(Thousand yen)

Income	Amount
Reportable segments total	385,881
Income of Others	(1,801)
Ordinary income in the Quarterly Consolidated Statement of Income	384,080

3. Information on impairment loss on non-current assets and goodwill by reportable segment
There is no relevant information.