POLA ORBIS HOLDINGS

Summary of Financial Results

For the Nine Months of the Fiscal Year Ending December 31, 2015 (Consolidated)

These financial statements have been prepared in accordance with accounting principles and practices generally accepted in Japan. The following English translation is based on the original Japanese-language document.

October 30, 2015

POLA ORBIS HOLDINGS INC.
Listing: Tokyo Stock Exchange, First Section (Code No.: 4927)
URL: http://www.po-holdings.co.jp/
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Filing Date of Quarterly Securities Report: November 12, 2015
Start of Cash Dividend Payment: —
Supplemental Materials Prepared for Quarterly Financial Results: Yes
Conference Presentation for Quarterly Financial Results: None

(Amounts less than one million yen have been truncated)

1. Consolidated Performance for the Nine Months of Fiscal 2015 (January 1, 2015–September 30, 2015)

(1) Consolidated Operating Results

(Percentage figures indicate year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2015 Nine Months	152,503	7.4	15,247	47.1	15,404	41.7	9,257	89.7
FY2014 Nine Months	142,019	3.4	10,367	5.7	10,869	0.2	4,879	(0.5)

Note: Comprehensive income: ¥4,764 million (-12.7%) for the Nine Months of FY2015;
¥5,454 million (-22.0%) for the Nine Months of FY2014

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
FY2015 Nine Months	167.45	167.26
FY2014 Nine Months	88.25	88.17

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
FY2015 Third Quarter	216,394	174,429	80.4	3,147.86
FY2014	224,536	180,793	80.4	3,264.13

Reference: Equity capital: FY2015 Third Quarter: ¥174,038 million; FY2014: ¥180,454 million

2. Dividends

	Annual Cash Dividends Per Share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2014	—	40.00	—	147.00	187.00
FY2015	—	70.00	—		
FY2015 (Forecast)				80.00	150.00

Note: Revisions to the cash dividends forecast announced most recently: None

3. Consolidated Performance Forecast for the Fiscal Year Ending December 31, 2015

(January 1, 2015–December 31, 2015)

(Percentage figures indicate year-on-year change)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
FY2015	210,000	6.0	21,000	18.8	21,000	10.1	11,000	5.9	198.96

Note: Revisions to the consolidated performance forecast announced most recently: Yes

Notes to Summary Information

(1) Changes in significant subsidiaries during the current period
(Changes in specific subsidiaries resulting in changes in the scope of consolidation) : None

(2) Application of special accounting methods for the preparation of the quarterly consolidated financial statements : None

(3) Changes in accounting policies, accounting estimates, and restatement
1) Changes in accounting policies associated with revision of accounting standards : Yes
2) Changes other than (3)-1) : None
3) Changes in accounting estimates : None
4) Restatements : None

Note: Please refer to "2. Summary Information (Notes) (2) Changes in Accounting Policies, Accounting Estimates, and Restatement" on page 6 for further detailed information.

(4) Number of shares issued and outstanding (common stock)
1) Number of shares issued and outstanding at the end of each period (including treasury stock)

At September 30, 2015	57,284,039 shares
At December 31, 2014	57,284,039 shares

2) Number of shares of treasury stock at the end of each period

At September 30, 2015	1,996,110 shares
At December 31, 2014	2,000,000 shares

3) Average number of shares issued and outstanding in each period

Nine months ended September 30, 2015	55,286,373 shares
Nine months ended September 30, 2014	55,284,039 shares

Information Regarding Quarterly Review Procedures

This quarterly financial report is not included in the scope of the quarterly review procedures pursuant to the Financial Instruments and Exchange Act (the "Act"). At the time of disclosure of this report, review procedures for the quarterly financial statements pursuant to the Act, have not been completed.

Explanation of Appropriate Use of Performance Forecast and Other Special Items

This report contains projections of performance and other projections based on information currently available and certain assumptions judged to be reasonable. Actual performance may differ materially from these projections resulting from changes in the economic environment and other risks and uncertainties. For performance projections, please refer to "1. Qualitative Information on Consolidated Performance for the Nine Months of Fiscal 2015 (3) Explanation of Consolidated Performance Forecast and Other Predictive Information" on page 5.

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1. Qualitative Information on Consolidated Performance for the Nine Months of Fiscal 2015

(1) Explanation of Consolidated Operating Results

During the nine months of fiscal 2015 (January 1–September 30, 2015), the Japanese economy continued on a moderate recovery track backed by improvement in the employment situation and corporate earnings, despite certain weakness in areas such as exports and imports. Despite signs of weakness in a recovery of consumer sentiment, personal consumption showed a solid trend due to improvement in employees' actual income. Although attention needs to be paid to the impact of downside risks from an economic slump in the Asian emerging countries including China on the domestic economy, the Japanese economy is expected to maintain its gradual recovery amid a continuing trend toward improvement in the employment and income climate, in addition to the effects of government policies.

The domestic cosmetics market grew steadily as a result of the momentum of the recovery in the Japanese economy and consumption of inbound visitors to Japan. In the overseas cosmetics market, a mild expansion continued, driven by the general recovery trend overseas, despite weakness in economic growth in Asian emerging countries and elsewhere.

Within this market environment, the POLA ORBIS Group (the "Group") continued its efforts to enhance corporate value by further strengthening the domestic earnings structure, accelerating overseas expansion, and improving capital efficiency during the current fiscal year, which marked the second year of the three-year medium-term management plan started in 2014.

As a result of these factors, the Group achieved the following consolidated operating results for the nine months of fiscal 2015.

Consolidated net sales for the nine months of fiscal 2015 increased 7.4% year on year, to ¥152,503 million, reflecting favorable performance of new products of the POLA brand, steady growth in businesses of the THREE and decencia brands, in addition to an increase in sales due to a switchover to a point system for the ORBIS brand. Operating income rose 47.1% year on year, to ¥15,247 million, resulting from both an increase in gross profit accompanying the increase of sales and cost efficiency, led by POLA and other brands. Ordinary income advanced 41.7% year on year, to ¥15,404 million. In addition to the above results, net income increased 89.7% year on year, to ¥9,257 million, because of an extraordinary loss associated with plant integration recorded in the corresponding period of the previous year.

Operating Results Overview (Millions of yen)

	Nine Months Ended September 30			
	2014	**2015**	Year-on-Year Amount Change	Year-on-Year Percent Change (%)
Net Sales	¥142,019	**¥152,503**	¥10,483	7.4
Operating Income	10,367	**15,247**	4,879	47.1
Ordinary Income	10,869	**15,404**	4,534	41.7
Net Income	¥ 4,879	**¥ 9,257**	¥ 4,378	89.7

Operating Results by Segment

Net Sales (Segment Sales to External Customers) (Millions of yen)

	Nine Months Ended September 30			
	2014	**2015**	Year-on-Year	
			Amount Change	Percent Change (%)
Beauty Care	¥131,944	**¥142,005**	¥10,060	7.6
Real Estate	2,379	**2,198**	(181)	(7.6)
Others	7,695	**8,299**	603	7.8
Total	¥142,019	**¥152,503**	¥10,483	7.4

Segment Income (Operating Income) (Millions of yen)

	Nine Months Ended September 30			
	2014	**2015**	Year-on-Year	
			Amount Change	Percent Change (%)
Beauty Care	¥ 9,405	**¥14,128**	¥4,723	50.2
Real Estate	1,031	**911**	(120)	(11.6)
Others	311	**398**	87	28.0
Reconciliations of Segment Income (Note)	(380)	**(190)**	189	—
Total	¥10,367	**¥15,247**	¥4,879	47.1

Note: Reconciliations of segment income refer to elimination of profits arising from inter-company transactions and expenses not allocated to reportable segments. Please see note 2 in "1. Information about Net Sales and Profit (Loss) by Reportable Segment" on page 11 and 12 for the details of reconciliations of segment income during the period.

Beauty Care

The Beauty Care segment consists of the flagship brands ***POLA*** and ***ORBIS***; the overseas brands ***Jurlique*** and ***H2O PLUS***, and the brands under development—***pdc***, ***FUTURE LABO***, ***ORLANE***, ***decencia***, and ***THREE***.

POLA is seeking to further boost customer satisfaction through efforts to further enhance POLA's sales-process quality such as developing new products in the anti-aging and skin-whitening fields and strengthening consulting skills. Both per capita spending and customer numbers grew in the domestic market, thanks to favorable performance of ***WHITE SHOT INNER LOCK IX***, a health and beauty food launched in February, and the new ***B.A*** series (a lineup of anti-aging products) launched in August focusing on the skin generation mechanism. In overseas markets, business remained solid because of successful new product launches, as well as continuing sales promotion activities. As a result of these factors, POLA recorded net sales above those of the corresponding period of the previous year.

ORBIS is making efforts to raise the level of service for each customer through reinforcement of the corporate branding, enhancement of the skincare product lineup, utilization of social media, and sales promotion measures centered on a business platform fortified through brand rebuilding measures. In the domestic market, ORBIS took proactive measures such as the launch in September of ***ORBIS=U encore***, which achieves full-scale anti-aging care, aiming at a further evolution of the brand, which had been rebuilt. In overseas markets, despite the successful launch of new products along with advertising campaigns in Taiwan, sales decreased due to the conclusion of sales activities in the South Korean business in August of the previous year. As a result of these factors, net sales of the ORBIS brand exceeded those of the corresponding period of the previous year. However, actual net sales excluding the effect of the switchover to the point system has fell below the previous year.

For overseas brands, the Group endeavored to maintain a high rate of growth and contribute to revenues and earnings, focusing on Asia as a growth driver. Jurlique remained solid in the Australian markets because of higher purchase rates of store-visitors and a rise in the per capita spending, despite the impact of sluggish economic growth in the Chinese market. Meanwhile, H2O PLUS carried out measures aimed at restructuring the brand, including a reduction of sales channels in line with a change in brand strategy for the North American market, and the closing of underperforming stores in China. As a result of the above factors, net sales of overseas brands increased year on year.

Brands under development, mainly THREE and decencia, continued to perform strongly. As a result, net sales of the brands under development exceeded those of the corresponding period of the previous year.

As a result of the factors noted above, net sales—sales to external customers—were ¥142,005 million, up 7.6% year on year, and operating income was ¥14,128 million, up 50.2% year on year.

Real Estate

The Real Estate segment concentrates on the leasing of office buildings in urban areas. Efforts are currently directed at sustaining rent levels but leaning more toward raising rents and occupancy rates by creating attractive office environments. Another area of emphasis is the residential properties rental business. This business highlights condominiums perfect for families with young children. During the nine months of fiscal 2015, performance remained strong for the existing properties due to high occupancy rates along with a rise in unit prices in line with market conditions. However, net sales fell below those of the corresponding period of the previous year due to a decrease in rent income resulting from the transfer of the POLA GOTANDA BUILDING No. 3 in December of the previous year.

As a result of the above, net sales—sales to external customers—generated by the Real Estate segment totaled ¥2,198 million, down 7.6% year on year, and operating income was ¥911 million, down 11.6% year on year.

Others

The Others segment comprises the pharmaceuticals and building maintenance businesses.

The pharmaceuticals business draws on results accumulated by Group companies in research related to cosmetics and quasi-pharmaceuticals to develop, manufacture, and sell new pharmaceuticals and to conduct contract manufacturing of pharmaceuticals. During the nine months of fiscal 2015, in addition to the Group's continued sales activities specializing in the field of dermatology, contract manufacturing of generic pharmaceuticals also performed well. As a result, net sales were up year on year.

The building maintenance business carries out building operations and management, catering mainly to the needs of Group companies. In the nine months of fiscal 2015, the Group received a high level of orders thanks to sales activities to conclude contracts with new customers, resulting in higher sales compared with a year earlier.

As a result of the above, net sales—sales to external customers—generated by the Others segment totaled ¥8,299 million, up 7.8% year on year, and operating income amounted to ¥398 million, up 28.0% year on year.

(2) Explanation of Consolidated Financial Position

As of September 30, 2015, total assets stood at ¥216,394 million, down 3.6%, or ¥8,141 million, from December 31, 2014. Factors related to this change included increases of ¥5,216 million in investments in securities from the management of surplus funds and ¥1,414 million in merchandise and finished goods, and decreases of ¥9,909 million in cash and deposits, ¥1,309 million in notes and accounts receivable – trade, ¥2,543 million in goodwill and ¥1,433 million in right of trademark due to exchange rate movements and other factors.

Total liabilities amounted to ¥41,965 million, down 4.1%, or ¥1,777 million, from December 31, 2014. Factors related to this change included increases of ¥1,214 million in notes and accounts payable – trade and ¥1,425 million in income taxes payable, and decreases of ¥1,372 million in short-term loans payable due to the repayment of bank borrowings of an overseas subsidiary, ¥1,900 million in "Other" of current liabilities due to a decrease in sales commission payable, and ¥1,646 million in net defined benefit liability due to the revision of the Accounting Standard for Retirement Benefits.

Net assets amounted to ¥174,429 million, down 3.5%, or ¥6,364 million, from December 31, 2014. Factors contributing to this change included the following: decreases of ¥4,607 million in foreign currency translation adjustments due to exchange rate movements and ¥11,996 million in dividends from retained earnings. These were partially offset by net income of ¥9,257 million and an increase of ¥828 million in retained earnings due to the revision of the Accounting Standard for Retirement Benefits.

(3) Explanation of Consolidated Performance Forecast and Other Predictive Information

To reflect the favorable performance of the POLA brand for nine months ended September 30, 2015, the Company has revised its consolidated performance forecast for fiscal 2015 as follows, for figures announced on July 30, 2015.

Revisions to the Consolidated Performance Forecast for Fiscal 2015 (January 1, 2015–December 31, 2015)

	(Millions of yen, Except Net Income Per Share and Percent Change)				
	Twelve Months Ending December 31				
	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share(yen)
Previous Forecast (A)	¥207,500	¥20,000	¥20,000	¥10,500	¥189.93
Current Forecast (B)	**210,000**	**21,000**	**21,000**	**11,000**	**198.96**
Amount Change (B–A)	2,500	1,000	1,000	500	—
Percent Change (%)	1.2	5.0	5.0	4.8	—
(reference) Actual Result for Fiscal 2014	¥198,094	¥17,683	¥19,067	¥10,382	¥187.81

(Information for reference)

Cumulative Results for Fiscal 2014

	(Millions of yen)			
	Three Months	Six Months	Nine Months	Full Year
Net Sales	¥50,213	¥95,940	¥142,019	¥198,094
Operating Income	5,453	8,331	10,367	17,683
Ordinary Income	5,160	8,043	10,869	19,067
Net Income	¥ 2,470	¥ 3,700	¥ 4,879	¥ 10,382

Quarterly Results for Fiscal 2014

	(Millions of yen)			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net Sales	¥50,213	¥45,726	¥46,079	¥56,074
Operating Income	5,453	2,878	2,036	7,315
Ordinary Income	5,160	2,883	2,825	8,197
Net Income	¥ 2,470	¥ 1,230	¥ 1,178	¥ 5,503

2. Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Current Period

None

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

(Changes in Accounting Policies)

With respect to the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, issued on May 17, 2012; the "Retirement Benefits Accounting Standard") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, issued on March 26, 2015; the "Guidance on Retirement Benefits"), the Group has applied the provisions stated in Article 35 of the Retirement Benefits Accounting Standard and Article 67 of the Guidance on Retirement Benefits from the first quarter of fiscal 2015, whereby the method of calculating retirement benefit obligations and service costs has been reviewed. Accordingly, the method of attributing expected retirement benefits to periods has been changed from the straight-line basis to the benefit formula basis, while the method of determining the discount rate has been changed from the method using a discount rate based on the number of years close to the average remaining service years of employees to the method using multiple discount rates determined according to each expected period of retirement benefit payments.

With the adoption of the Retirement Benefits Accounting Standard, the amount of impact arising from the change in the method of calculating retirement benefit obligations and service costs is included in retained earnings at the beginning of nine months of fiscal 2015, according to the transitional method stated in Article 37 of the Retirement Benefits Accounting Standard.

As a result of the change, net defined benefit liability decreased ¥1,242 million and deferred tax assets decreased ¥413 million, while retained earnings increased ¥828 million at the beginning of the nine months of fiscal 2015. The impact on operating income, ordinary income and income before income taxes for the nine months of fiscal 2015 was minimal.

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2014 December 31, 2014	**FY2015 Third Quarter September 30, 2015**
Assets		
Current assets		
Cash and deposits	¥ 39,445	**¥ 29,536**
Notes and accounts receivable – trade	23,936	**22,627**
Short-term investments in securities	22,612	**22,701**
Merchandise and finished goods	13,419	**14,834**
Work in process	1,468	**1,319**
Raw materials and supplies	5,172	**5,616**
Other	12,008	**13,698**
Allowance for doubtful accounts	(163)	**(140)**
Total current assets	117,900	**110,193**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	19,779	**19,124**
Land	19,248	**19,207**
Other, net	14,010	**14,514**
Total property, plant and equipment	53,039	**52,846**
Intangible assets		
Goodwill	14,092	**11,549**
Right of trademark	10,013	**8,580**
Other	8,024	**7,260**
Total intangible assets	32,131	**27,389**
Investments and other assets		
Investments in securities	15,152	**20,368**
Other	6,366	**5,664**
Allowance for doubtful accounts	(52)	**(68)**
Total investments and other assets	21,466	**25,964**
Total non-current assets	106,636	**106,201**
Total assets	¥224,536	**¥216,394**

(Millions of yen)

	FY2014 December 31, 2014	**FY2015 Third Quarter September 30, 2015**
Liabilities		
Current liabilities		
Notes and accounts payable – trade	¥ 4,427	**¥ 5,641**
Short-term loans payable	1,972	**600**
Income taxes payable	1,429	**2,855**
Provision for bonuses	1,612	**2,447**
Provision for point program	2,846	**2,708**
Other provisions	545	**345**
Other	18,142	**16,242**
Total current liabilities	30,976	**30,841**
Non-current liabilities		
Long-term loans payable	1,000	**1,000**
Other provisions	65	**56**
Net defined benefit liability	5,829	**4,182**
Other	5,870	**5,884**
Total non-current liabilities	12,765	**11,124**
Total liabilities	43,742	**41,965**
Net assets		
Shareholders' equity		
Common stock	10,000	**10,000**
Capital surplus	90,718	**90,722**
Retained earnings	74,454	**72,543**
Treasury stock	(2,199)	**(2,194)**
Total shareholders' equity	172,973	**171,071**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	448	**517**
Foreign currency translation adjustments	7,628	**3,020**
Remeasurements of defined benefit plans	(595)	**(571)**
Total accumulated other comprehensive income	7,481	**2,967**
Subscription rights to shares	138	**168**
Minority interests	200	**221**
Total net assets	180,793	**174,429**
Total liabilities and net assets	¥224,536	**¥216,394**

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

(Millions of yen)

	Nine Months Ended September 30	
	FY2014 (January 1, 2014– September 30, 2014)	**FY2015 (January 1, 2015– September 30, 2015)**
Net sales	¥142,019	**¥152,503**
Cost of sales	27,896	**29,081**
Gross profit	114,122	**123,421**
Selling, general and administrative expenses		
Sales commission	33,656	**34,456**
Promotion expenses	14,022	**16,677**
Advertising expenses	5,305	**5,978**
Salaries, allowances and bonuses	16,205	**16,353**
Provision for bonuses	2,239	**2,212**
Provision for point program	2,420	**2,667**
Other	29,905	**29,827**
Total selling, general and administrative expenses	103,754	**108,174**
Operating income	10,367	**15,247**
Non-operating income		
Interest income	268	**216**
Dividend income	5	**5**
Foreign exchange gains	230	**—**
Other	201	**235**
Total non-operating income	706	**457**
Non-operating expenses		
Interest expense	129	**64**
Foreign exchange losses	—	**176**
Other	75	**59**
Total non-operating expenses	205	**301**
Ordinary income	10,869	**15,404**
Extraordinary income		
Gain on sales of non-current assets	335	**0**
Reversal of foreign currency translation adjustments	—	**538**
Other	1	**4**
Total extraordinary income	337	**543**
Extraordinary losses		
Loss on disposal of non-current assets	99	**175**
Business structure improvement expenses	1,566	**—**
Other	195	**25**
Total extraordinary losses	1,860	**201**
Income before income taxes	9,345	**15,745**
Income taxes – current	5,839	**6,309**
Income taxes – deferred	(1,161)	**144**
Total income taxes	4,677	**6,454**
Income before minority interests	4,668	**9,291**
Minority interests in net income (loss) of consolidated subsidiaries	(210)	**33**
Net income	¥ 4,879	**¥ 9,257**

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Nine Months Ended September 30	
	FY2014 (January 1, 2014– September 30, 2014)	**FY2015 (January 1, 2015– September 30, 2015)**
Income before minority interests	¥4,668	**¥ 9,291**
Other comprehensive income		
Valuation difference on available-for-sale securities	10	**68**
Foreign currency translation adjustments	773	**(4,620)**
Remeasurements of defined benefit plans	―	**24**
Share of other comprehensive income of associates accounted for using equity method	1	**0**
Total other comprehensive income	786	**(4,526)**
Quarterly comprehensive income	5,454	**4,764**
Comprehensive income attributable to owners of the parent	5,659	**4,743**
Comprehensive income attributable to minority interests	¥ (205)	**¥ 21**

(3) Notes to Consolidated Financial Statements

(Going Concern Assumptions)

None

(Significant Changes in Shareholders' Equity)

None

(Segment Information)

I. Nine Months of Fiscal 2014 (January 1, 2014–September 30, 2014)

1. Information about Net Sales and Profit (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Others (Note 1)	Subtotal	Reconciliations (Note 2)	Amount Shown on the Consolidated Statements of Income (Note 3)
	Beauty Care	Real Estate	Subtotal				
Net Sales							
Sales to External Customers	¥131,944	¥2,379	¥134,324	¥ 7,695	¥142,019	—	¥142,019
Intersegment Sales or Transfers	61	449	510	2,525	3,035	¥(3,035)	—
Total	132,005	2,828	134,834	10,220	145,054	(3,035)	142,019
Segment Income	¥ 9,405	¥1,031	¥ 10,436	¥ 311	¥ 10,748	¥ (380)	¥ 10,367

Notes: 1. "Others" comprises business operations that are not categorized as reportable segments and include the pharmaceuticals and building maintenance.

2. The segment income reconciliation of ¥(380) million includes intersegment transaction eliminations of ¥1,314 million minus corporate expenses of ¥1,694 million, not allocated to each segment. Corporate expenses are primarily the Company's administrative expenses not allocated to reportable segments.

3. Segment income is adjusted for operating income reported in the quarterly consolidated statements of income.

2. Information about Impairment Loss of Non-current Assets and Goodwill by Reportable Segment

(Significant Impairment Loss of Non-current Assets)

None

(Significant Changes in Goodwill)

None

II. Nine Months of Fiscal 2015 (January 1, 2015–September 30, 2015)
1. Information about Net Sales and Profit (Loss) by Reportable Segment

(Millions of yen)

	Reportable Segments			Others (Note 1)	Subtotal	Reconciliations (Note 2)	Amount Shown on the Consolidated Statements of Income (Note 3)
	Beauty Care	**Real Estate**	**Subtotal**				
Net Sales							
Sales to External Customers	**¥142,005**	**¥2,198**	**¥144,203**	**¥8,299**	**¥152,503**	—	**¥152,503**
Intersegment Sales or Transfers	**60**	**357**	**417**	**1,568**	**1,986**	**¥(1,986)**	—
Total	**142,065**	**2,555**	**144,621**	**9,868**	**154,489**	**(1,986)**	**152,503**
Segment Income	**¥ 14,128**	**¥ 911**	**¥ 15,039**	**¥ 398**	**¥ 15,438**	**¥ (190)**	**¥ 15,247**

Notes: 1. "Others" comprises business operations that are not categorized as reportable segments and include the pharmaceuticals and building maintenance.
2. The segment income reconciliation of ¥(190) million includes intersegment transaction eliminations of ¥1,467 million minus corporate expenses of ¥1,657 million, not allocated to each segment. Corporate expenses are primarily the Company's administrative expenses not allocated to reportable segments.
3. Segment income is adjusted for operating income reported in the quarterly consolidated statements of income.

2. Information about Impairment Loss of Non-current Assets and Goodwill by Reportable Segment
(Significant Impairment Loss of Non-current Assets)
None

(Significant Changes in Goodwill)
None

3. Items Related to Changes in Reportable Segments
As described in "Changes in Accounting Policies," pursuant to changes in the calculation method of retirement benefit obligations and service costs from the first quarter of fiscal 2015, the calculation method used for business segments has been changed accordingly.

The impact on segment income for the nine months of fiscal 2015 arising from the above changes was minimal.