POLA ORBIS HOLDINGS

Summary of Financial Results

For the First Half of the Fiscal Year Ending December 31, 2013 (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.

July 30, 2013

POLA ORBIS HOLDINGS INC.
Listing: Tokyo Stock Exchange, First Section (Code No.: 4927)
URL: http://www.po-holdings.co.jp/
Representative: Satoshi Suzuki, President
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Filing Date of Quarterly Securities Report: August 13, 2013
Start of Cash Dividend Payment: September 13, 2013
Supplemental Materials Prepared for Quarterly Financial Results: Yes
Conference Presentation for Quarterly Financial Results: Yes (for analysts)

(Amounts less than one million yen have been truncated)

1. Consolidated Performance for the First Half of Fiscal 2013 (January 1, 2013–June 30, 2013)

(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	%
FY2013 First Half	91,415	5.8	6,305	11.6	7,335	22.1	3,402	22.2
FY2012 First Half	86,407	9.5	5,652	2.1	6,008	0.8	2,785	(6.8)

Note: Comprehensive income: ¥5,503 million (113.0%) for the First Half of FY2013;
¥2,584 million (-3.1%) for the First Half of FY2012

	Net Income Per Share	Diluted Net Income Per Share
	Yen	Yen
FY2013 First Half	61.55	61.51
FY2012 First Half	50.38	50.37

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets Per Share
	Millions of yen	Millions of yen	%	Yen
FY2013 Second Quarter	214,231	169,526	78.8	3,055.51
FY2012	209,140	164,896	78.8	2,980.48

Reference: Equity capital: FY2013 Second Quarter: ¥168,920 million; FY2012: ¥164,773 million

2. Dividends

	Annual Cash Dividends Per Share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2012	—	25.00	—	25.00	50.00
FY2013	—	25.00			
FY2013 (Forecast)			—	30.00	55.00

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

3. Consolidated Performance Forecast for the Fiscal Year Ending December 31, 2013
(January 1, 2013–December 31, 2013)

(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
FY2013	188,500	4.2	16,000	18.3	16,300	11.6	8,200	22.7	148.32

Note: Revisions to the consolidated performance forecast announced most recently: none

4. Other Information

(1) Changes in significant subsidiaries during the current period
(changes in specific subsidiaries resulting in changes in the scope of consolidation) : Yes
Dissolved: CSW H2O Holdings, Inc.

Note: Please refer to "2. Summary Information (Notes) (1) Changes in Significant Subsidiaries during the Current Period" on page 5 for further detailed information.

(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 : Yes
4) Restatements : None

Note: Changes are subject to Article 10-5 of the Ordinance on Terminology, Forms, and Preparation Methods of Quarterly Consolidated Financial Statements. Please refer to "2. Summary Information (Notes) (2) Changes in Accounting Policies, Accounting Estimates, and Restatement" on page 5 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 June 30, 2013 57,284,039 shares
At December 31, 2012 57,284,039 shares
2) Number of shares of treasury stock at the end of each period
At June 30, 2013 2,000,000 shares
At December 31, 2012 2,000,000 shares
3) Average number of shares issued and outstanding in each period
Six months ended June 30, 2013 55,284,039 shares
Six months ended June 30, 2012 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 First Half of Fiscal 2013 (3) Qualitative Information on Consolidated Performance Forecast" on page 5.

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1. Qualitative Information on Consolidated Performance for the First Half of Fiscal 2013

(1) Qualitative Information on Consolidated Operating Results

During the first half of fiscal 2013 (January 1–June 30, 2013), in the Japanese economy, the weakening yen and rising stock prices resulting from domestic economic and monetary policies had a positive impact on consumer sentiment. Thus, with personal spending remaining firm, the economy has steadily picked up since its deceleration precipitated by the European fiscal crisis. In the future, although there remains a downside risk of an economic slump overseas, the Japanese economy will stand to further recover in a steadily improving export climate owing to a weaker yen and the effectiveness of various domestic policies.

As for the domestic cosmetics market, due to the recovery momentum in the Japanese economy as a whole, the overall market remains strong. In the overseas cosmetics market, while slowdowns in personal spending are apparent in China and India, the whole Asian region continues to grow slowly.

Within this market environment, in the current fiscal year, which is the final year of its three-year medium-term management plan that started in 2011, the POLA ORBIS Group (the "Group") will continue to improve the profitability of its domestic flagship brands and to expand its brands under development. In addition, the Group will also continue to pursue its overseas market expansion, whose linchpins are the two overseas companies that it acquired.

As a result of the factors noted above, the Group achieved the following consolidated operating results for the first half of fiscal 2013.

Consolidated net sales for the first half of fiscal 2013 increased 5.8% year on year to ¥91,415 million. This was due to the consolidation of Jurlique in January of this year, after joining the Group in February of last year. In addition, Jurlique and H2O PLUS enjoyed steady growth in Asia, and exchange rate movements were favorable. Due to elimination of one-time expenses arising from the acquisition of Jurlique, and to the streamlining of selling, general and administrative expenses, operating income increased 11.6% year on year to ¥6,305 million. Ordinary income rose 22.1% year on year to ¥7,335 million, on foreign exchange gains stemming from a weak yen. Net income was up 22.2% year on year to ¥3,402 million. This was due to the Group's posting of lower tax expenses following a loss on business liquidation arising from POLA's withdrawal from business in the United States and incurred business structure improvement expenses associated with the integration of the Shizuoka Plant.

Operating Results Overview (Millions of yen)

	Six Months Ended June 30			
			Year-on-Year	
	2012	**2013**	Amount Change	Percent Change (%)
Net Sales	¥86,407	**¥91,415**	¥5,008	5.8
Operating Income	5,652	**6,305**	653	11.6
Ordinary Income	6,008	**7,335**	1,326	22.1
Net Income	¥ 2,785	**¥ 3,402**	¥ 617	22.2

Operating Results by Segment

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

	Six Months Ended June 30			
	2012	**2013**	Year-on-Year Amount Change	Year-on-Year Percent Change (%)
Beauty Care	¥80,691	**¥85,336**	¥4,644	5.8
Real Estate	1,444	**1,493**	49	3.4
Others	4,271	**4,586**	314	7.4
Total	¥86,407	**¥91,415**	¥5,008	5.8

Segment Income (Loss) (Operating Income [Loss]) (Millions of yen)

	Six Months Ended June 30			
	2012	**2013**	Year-on-Year Amount Change	Year-on-Year Percent Change (%)
Beauty Care	¥4,887	**¥5,703**	¥816	16.7
Real Estate	627	**645**	17	2.8
Others	(12)	**98**	110	—
Reconciliations of Segment Income (Note)	149	**(142)**	(291)	—
Total	¥5,652	**¥6,305**	¥653	11.6

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 10 and 11 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 brands under development — ***pdc***, ***FUTURE LABO***, ***ORLANE***, ***decencia***, and ***THREE***, and the overseas brands ***Jurlique*** and ***H2O PLUS***.

POLA is making concerted efforts to boost customer satisfaction. These include aggressively developing sales channels through POLA THE BEAUTY stores, which integrate cosmetics, consulting and esthetic treatments, and through department stores; increasing customer contact points through expansion of the door-to-door sales organization; and further enhancing POLA’s sales-process quality and consulting skills. In the domestic market, the Group pressed ahead with product launches and sales promotions tailored to specific seasons. In May, the Group launched ***B.A THE DAY MASK S*** in the ***B.A SUMMER*** series, which targets customers concerned with the aging effects of summer weather. In the overseas markets, POLA continued to steadily ramp up the number of stores handling its offerings in the key Russian market. As a result, POLA recorded an increase in net sales over the corresponding period of the previous year.

ORBIS is striving to boost profitability by rebuilding its brand, through such efforts as increasing the repeat purchase rate, enhancing its skincare products, and increasing online sales. In the domestic market, the ***LIVE RICH*** anti-aging series, which was launched in February and is only available online and by catalog, performed well, driving a year-on-year increase in amount spent per customer. With the shift to a two-point logistics structure in the second half of last year, the effectiveness of the ORBIS’s streamlining of costs has been apparent. In overseas markets, ORBIS has continued to work to increase brand awareness. As a result, ORBIS recorded net sales in line with sales in the corresponding period of the previous year.

Meanwhile, due to strong sales of ***THREE, pdc*** and ***decencia***, the brands under development recorded an increase in net sales over the corresponding period of the previous year.

Furthermore, the Group’s overseas brands saw a substantial increase in net sales over the corresponding period of the previous year. A contributing factor was the consolidation of Jurlique in January of this year, after joining the Group in February of last year. Another factor was the establishment of a joint venture in April to accelerate business for the H2O PLUS brand in China. Jurlique and H2O PLUS enjoyed steady growth in Asia, while exchange rate movements were favorable.

As a result of the factors noted above, net sales—sales to external customers—were ¥85,336 million, up 5.8% year on year, and operating income was ¥5,703 million, up 16.7% year on year.

Real Estate

The Real Estate segment concentrates on the leasing of office buildings in cities. 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 rental residential properties business. This business highlights new-model condominiums perfect for families with young children. During the first half of fiscal 2013, the Group increased sales from the corresponding period of the previous year, reflecting efforts to sustain rent levels and attract tenants.

As a result of the above, net sales—sales to external customers—generated by the Real Estate segment totaled ¥1,493 million, up 3.4%, while operating income reached ¥645 million, up 2.8% 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 and sell new drugs. Thus far, two products—***Lulicon***, an antifungal agent for topical application, and ***DIVIGEL***, a treatment for menopausal symptoms—have successfully been brought to market. In addition, existing ethical pharmaceuticals, such as the laxative ***Alosenn*** and dermatological drugs have been supplied to medical institutions, including university hospitals throughout Japan. In the first half of fiscal 2013, the Group engaged in ongoing activities that concentrated resources in the key dermatology field. As a result of these activities and the launch of a new formulation of ***Lulicon***, the market share of ***Lulicon*** continued to expand, while sales of dermatological drugs also rose, resulting in significantly higher sales than in the corresponding period of the previous year.

The building maintenance business primarily caters to the needs of Group companies. In the first half of fiscal 2013, in order to increase orders from outside the Group, the Group engaged in sales activities to conclude contracts with new customers. Nonetheless, due to falling unit prices of orders, net sales fell below those in the corresponding period of the previous year.

As a reflection of the above, net sales—sales to external customers—generated by the Others segment totaled ¥4,586 million, up 7.4%, while operating income amounted to ¥98 million (operating loss was ¥12 million in fiscal 2012).

(2) Qualitative Information on Consolidated Financial Position

As of June 30, 2013, total assets stood at ¥214,231 million, up 2.4%, or ¥5,090 million from December 31, 2012. Factors contributing to this increase included the following: increases of ¥1,804 million in short-term investments in securities, ¥1,497 million in merchandise and finished goods, ¥1,946 million in current assets—other from posting short-term deferred tax assets arising from a withdrawal from business in the United States, and ¥1,110 million in buildings and structures from the completion of the Totsuka Warehouse. These were offset to some degree by a ¥2,450 million decrease in cash and deposits, mainly owing to payments for the completion of the Totsuka Warehouse and condominium construction in Takashimadai, Yokohama.

Total liabilities amounted to ¥44,705 million, up 1.0%, or ¥460 million, from December 31, 2012. Factors contributing to this increase included the following: an increase of ¥2,533 million in current liabilities—other stemming mainly from a provision for loss on business liquidation arising from a withdrawal from business in the United States and a provision for business structure improvement associated with the integration of the Shizuoka Plant. These were partially offset by a ¥2,313 million decrease in income taxes payable.

Net assets amounted to ¥169,526 million, up 2.8%, or ¥4,630 million from December 31, 2012. Factors contributing to this increase included the following: net income of ¥3,402 million and an increase of ¥1,764 million in foreign currency translation adjustments as a result of exchange rate movements. These were partially offset by a decrease of ¥1,382 million in dividends from retained earnings.

(3) Qualitative Information on Consolidated Performance Forecast

The Company has made no revisions to the full-year consolidated performance forecast announced on April 30, 2013.

(Information for reference)

Cumulative Results for Fiscal 2012

	(Millions of yen)			
	Three Months	Six Months	Nine Months	Full Year
Net Sales	¥38,945	¥86,407	¥129,724	¥180,873
Operating Income	1,225	5,652	8,013	13,520
Ordinary Income	1,580	6,008	8,425	14,604
Net Income	¥ 721	¥ 2,785	¥ 3,687	¥ 6,681

Quarterly Operation Results for Fiscal 2012

	(Millions of yen)			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net Sales	¥38,945	¥47,461	¥43,316	¥51,149
Operating Income	1,225	4,426	2,360	5,506
Ordinary Income	1,580	4,427	2,417	6,178
Net Income	¥ 721	¥ 2,063	¥ 902	¥ 2,994

2. Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Current Period

In the first quarter of the fiscal year ending December 31, 2013, since CSW H2O Holdings, Inc. extinguished as a result of its merger with H2O PLUS HOLDINGS, INC., which is a consolidated subsidiary of the Company, it is excluded from the scope of consolidation.

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

(Changes in accounting policies that are difficult to distinguish from changes in accounting estimates)

Following the revision of the Corporation Tax Act, from the first quarter of the fiscal year ending December 31, 2013, for property, plant and equipment acquired on or after January 1, 2013, the Company and its domestic consolidated subsidiaries have changed to the depreciation method based on the revised Corporation Tax Act.

As a result of the change, the impact on operating income, ordinary income, and income before income taxes is minor.

3. Quarterly Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	FY2012 December 31, 2012	**FY2013 Second Quarter June 30, 2013**
Assets		
Current assets		
Cash and deposits	¥ 22,551	**¥ 20,101**
Notes and accounts receivable – trade	22,684	**22,272**
Short-term investments in securities	19,801	**21,606**
Merchandise and finished goods	10,883	**12,380**
Work in process	1,493	**1,553**
Raw materials and supplies	4,901	**5,101**
Other	6,653	**8,600**
Allowance for doubtful accounts	(125)	**(127)**
Total current assets	88,844	**91,489**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	17,248	**18,358**
Land	22,448	**22,432**
Other, net	15,711	**15,742**
Total property, plant and equipment	55,408	**56,533**
Intangible assets		
Goodwill	18,256	**18,491**
Right of trademark	11,841	**12,331**
Other	9,579	**9,566**
Total intangible assets	39,677	**40,389**
Investments and other assets		
Investments in securities	18,572	**19,122**
Other	6,801	**6,870**
Allowance for doubtful accounts	(163)	**(174)**
Total investments and other assets	25,209	**25,818**
Total non-current assets	120,296	**122,741**
Total assets	¥209,140	**¥214,231**

(Millions of yen)

	FY2012 December 31, 2012	**FY2013 Second Quarter June 30, 2013**
Liabilities		
Current liabilities		
Notes and accounts payable – trade	¥ 3,630	**¥ 4,349**
Short-term loans payable	1,733	**600**
Income taxes payable	6,282	**3,969**
Provision for bonuses	1,504	**1,144**
Other	17,935	**20,468**
Total current liabilities	31,086	**30,531**
Non-current liabilities		
Long-term loans payable	—	**1,000**
Provision for retirement benefits	6,394	**6,160**
Other	6,763	**7,012**
Total non-current liabilities	13,157	**14,173**
Total liabilities	44,244	**44,705**
Net assets		
Shareholders' equity		
Common stock	10,000	**10,000**
Capital surplus	90,718	**90,718**
Retained earnings	63,386	**65,407**
Treasury stock	(2,199)	**(2,199)**
Total shareholders' equity	161,905	**163,926**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	331	**694**
Foreign currency translation adjustments	2,535	**4,300**
Total accumulated other comprehensive income	2,867	**4,994**
Subscription rights to shares	40	**66**
Minority interests	82	**539**
Total net assets	164,896	**169,526**
Total liabilities and net assets	¥209,140	**¥214,231**

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

(Millions of yen)

	Six Months Ended June 30	
	FY2012 (January 1, 2012– June 30, 2012)	**FY2013 (January 1, 2013– June 30, 2013)**
Net sales	¥86,407	**¥91,415**
Cost of sales	17,744	**18,281**
Gross profit	68,662	**73,134**
Selling, general and administrative expenses		
Sales commission	21,905	**22,633**
Promotion expenses	8,157	**8,862**
Advertising expenses	3,377	**3,432**
Salaries, allowances and bonuses	9,850	**10,757**
Provision for bonuses	872	**993**
Provision for point program	1,424	**1,521**
Other	17,422	**18,628**
Total selling, general and administrative expenses	63,010	**66,829**
Operating income	5,652	**6,305**
Non-operating income		
Interest income	245	**218**
Dividend income	20	**24**
Foreign exchange gains	68	**726**
Other	96	**111**
Total non-operating income	431	**1,080**
Non-operating expenses		
Interest expense	32	**35**
Equity in losses of affiliates	24	**1**
Other	18	**14**
Total non-operating expenses	75	**50**
Ordinary income	6,008	**7,335**
Extraordinary income		
Gain on sale of non-current assets	—	**211**
Reversal of provision for directors' retirement benefits	119	—
Other	2	**3**
Total extraordinary income	121	**214**
Extraordinary losses		
Loss on disposal of non-current assets	89	**115**
Loss on business liquidation	—	**1,000**
Business structure improvement expenses	—	**848**
Other	9	**16**
Total extraordinary losses	99	**1,982**
Income before income taxes	6,030	**5,567**
Income taxes – current	4,074	**3,910**
Income taxes – deferred	(819)	**(1,710)**
Total income taxes	3,254	**2,200**
Income before minority interests	2,775	**3,367**
Minority interests in net loss of consolidated subsidiaries	(9)	**(35)**
Net income	¥ 2,785	**¥ 3,402**

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six Months Ended June 30	
	FY2012 (January 1, 2012– June 30, 2012)	**FY2013 (January 1, 2013– June 30, 2013)**
Income before minority interests	¥2,775	**¥3,367**
Other comprehensive income		
Valuation difference on available-for-sale securities	142	**363**
Deferred gain or loss on hedges	(9)	**–**
Foreign currency translation adjustments	(323)	**1,776**
Share of other comprehensive income of associates accounted for using equity method	(1)	**6**
Total other comprehensive income	(191)	**2,136**
Quarterly comprehensive income	2,584	**5,503**
Comprehensive income attributable to owners of the parent	2,591	**5,529**
Comprehensive income attributable to minority interests	¥ (6)	**¥ (26)**

(3) Going Concern Assumptions

Not applicable for the first half of fiscal 2013 (January 1, 2013–June 30, 2013)

(4) Segment Information

I. First Half of Fiscal 2012 (January 1, 2012–June 30, 2012)

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	¥80,691	¥1,444	¥82,135	¥4,271	¥86,407	—	¥86,407
Intersegment Sales or Transfers	40	314	354	1,433	1,788	¥(1,788)	—
Total	80,732	1,758	82,490	5,705	88,195	(1,788)	86,407
Segment Income (Loss)	¥ 4,887	¥ 627	¥ 5,515	¥ (12)	¥ 5,503	¥ 149	¥ 5,652

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 ¥149 million includes intersegment transaction eliminations of ¥1,208 million minus corporate expenses of ¥1,059 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 Assets by Reportable Segment

There were significant changes in the amount of assets by reportable segment in the first half of fiscal 2012 compared with the end of fiscal 2011. The summary information is as follows:

In the Beauty Care segment, the amount of segment assets increased by ¥30,059 million, arising from the establishment of Pola Orbis Jurlique Holdings Pty Ltd and Pola Orbis Jurlique Pty Ltd, the addition of Jurlique International Pty Ltd and its 11 subsidiaries as consolidated subsidiaries through the acquisition of all outstanding shares in Jurlique, and some other factors.

3. 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

In the Beauty Care segment, new goodwill was recorded due to the addition of Jurlique International Pty Ltd and its 11 subsidiaries as consolidated subsidiaries through the acquisition of all outstanding shares in Jurlique as of February 3, 2012.

Due to this development, the amount of goodwill increased ¥12,050 million in the first half of fiscal 2012.

II. First Half of Fiscal 2013 (January 1, 2013–June 30, 2013)

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	**¥85,336**	**¥1,493**	**¥86,829**	**¥4,586**	**¥91,415**	—	**¥91,415**
Intersegment Sales or Transfers	**44**	**329**	**373**	**1,585**	**1,958**	**¥(1,958)**	—
Total	**85,380**	**1,822**	**87,203**	**6,171**	**93,374**	**(1,958)**	**91,415**
Segment Income (Loss)	**¥ 5,703**	**¥ 645**	**¥ 6,349**	**¥ 98**	**¥ 6,447**	**¥ (142)**	**¥ 6,305**

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 ¥(142) million includes intersegment transaction eliminations of ¥971 million minus corporate expenses of ¥1,113 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

(5) Significant Changes in Shareholders' Equity

None