

August 7, 2019

Consolidated Financial Results for the Six Months Ended June 30, 2019 [Japanese GAAP]

Listed company name:	Toyo Tanso Co., Ltd.
Stock exchange listing:	Tokyo Stock Exchange, 1st Section
Stock code:	5310
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Scheduled date for submission of quarterly report:	August 8, 2019
Scheduled date for dividend payment:	-
Supplementary materials for quarterly financial summaries:	Yes
Quarterly financial results briefing:	Yes (for securities analysts and institutional investors)

1. Consolidated financial results for the six months ended June 30, 2019

(From January 1, 2019 to June 30, 2019)

(1) Operating results (cumulative total)

(Millions of yen, rounded down)

(Percentages indicate changes from the same period in the previous fiscal year.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
		%		%		%		%
Six months ended June 30, 2019	19,141	(13.2)	3,158	(24.4)	3,066	(25.1)	2,303	(24.6)
Six months ended June 30, 2018	22,056	33.2	4,179	215.1	4,092	262.2	3,055	170.5

Note: Comprehensive income:
 Six months ended June 30, 2019 1,899 million yen (-20.0%)
 Six months ended June 30, 2018 2,374 million yen (265.0%)

	Profit attributable to owners of parent per share (basic)	Profit attributable to owners of parent per share (diluted)
	yen	yen
Six months ended June 30, 2019	109.83	-
Six months ended June 30, 2018	146.11	145.87

(2) Financial position

(Millions of yen, rounded down)

	Total assets	Net assets	Equity ratio
			%
As of June 30, 2019	74,397	64,877	86.3
As of December 31, 2018	74,951	64,096	84.5

Reference: Shareholders' equity:
 June 30, 2019 64,173 million yen
 December 31, 2018 63,326 million yen

2. Dividends

	Dividends per share (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total (Full year)
Year ended December 31, 2018	-	0.00	-	50.00	50.00
Year ending December 31, 2019 (Actual)	-	0.00			
Year ending December 31, 2019 (Forecast)			-	50.00	50.00

Note: Revisions of projected dividends most recently announced: None

3. Consolidated results forecast for the fiscal year ending December 31, 2019

(From January 1, 2019 to December 31, 2019)

(Millions of yen, rounded down)

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit attributable to owners of parent per share
		%		%		%		%	yen
Fiscal year ending December 31, 2019	37,000	(10.0)	5,800	(17.3)	5,800	(17.8)	4,000	(18.5)	190.72

Note: Revisions of consolidated forecasts most recently announced: Yes

For details, please refer to "Notification of Differences between Consolidated Earnings Forecasts for First Half of Fiscal Year and Actual Results, and Revisions to Consolidated Earnings Forecasts for Fiscal Year" issued on August 7, 2019.

*** Others**

(1) Changes in significant subsidiaries during the period under review:

(Changes in specified subsidiaries accompanying changes in scope of consolidation): None

New subsidiaries: ___ (name of company[ies])

Excluded subsidiaries: ___ (name of company[ies])

(2) Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements: Yes

(Note) For details, please refer to “Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements” on page 9 of the Attached Documents.

(3) Changes in accounting policies and accounting estimates and restatements

1) Changes in accounting policies due to revisions of accounting standards, etc.: None

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

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of shares outstanding (common stock)

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

As of June 30, 2019 20,992,588 shares

As of December 31, 2018 20,992,588 shares

2) Number of treasury stock at the end of period

As of June 30, 2019 19,815 shares

As of December 31, 2018 19,769 shares

3) Average number of shares during the period (quarterly cumulative total)

Six months ended June 30, 2019 20,972,816 shares

Six months ended June 30, 2018 20,909,715 shares

*** This summary report is not subject to quarterly review by a certified public accountant or an audit corporation.**

*** Disclaimer regarding appropriate use of forecasts and related points of note**

(We urge you to be cautious in relying on forward-looking statements.)

Forward-looking statements such as the earnings forecasts in this material are based on currently available information and certain assumptions deemed rational, and are not intended as a guarantee that these forecasts will be achieved. Accordingly, actual results may differ significantly from these forecasts due to various factors. For more information on the preconditions of the forecasts and on precautionary notes concerning the usage of these forecasts, please refer to “Explanation of Information Regarding Consolidated Earnings Forecasts and Other Projections” on page 3 of the Attached Documents.

(How to acquire supplementary materials for financial summaries and information disclosed at our financial results briefing.)

We are scheduled to hold a financial results briefing for securities analysts and institutional investors on August 19, 2019. The materials distributed at the briefing are scheduled to be disclosed on TDnet and our website on that same day.

○Attached Documents

1. Qualitative Information Regarding Consolidated Results for the Six Months under Review	2
(1) Explanation Regarding Business Results	2
(2) Explanation Regarding Financial Position	3
(3) Explanation of Information Regarding Consolidated Earnings Forecasts and Other Projections	3
2. Quarterly Consolidated Financial Statements and Important Notes	4
(1) Quarterly consolidated balance sheets	4
(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income	6
(Quarterly consolidated statements of income)	6
(Quarterly consolidated statement of comprehensive income)	7
(3) Consolidated statements of cash flows	8
(4) Notes on quarterly consolidated financial statements	9
(Notes regarding the premise of a going concern)	9
(Notes if the amount of shareholders' equity has changed significantly)	9
(Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements)	9
(Additional information)	9
(Segment information)	10
3. Supplementary Information	12
(1) Orders and sales by product category	12
(2) Overview	13

1. Qualitative Information Regarding Consolidated Results for the Six Months under Review

(1) Explanation Regarding Business Results

During the first half of the consolidated fiscal year under review, uncertainties over the outlook persisted in the global economy due to the effects of the prolonged US-China trade disputes, the issue of UK's exit from the EU, and economic slowdown in China as well as some other parts of Asia. In the Japanese economy, personal consumption continued on a recovery trend, while exports and production showed signs of weakness. Turning to the business environment surrounding the Group, in the semiconductor market, although there were moves to cut back capital investment, demand notably for wafer production remained solid. Furthermore, in the transportation equipment market, there was an increase in domestic and overseas demand for pantograph sliders for trains. Finally, in the energy-related market, demand for products for solar cell applications slumped on factors, including the shift in Chinese governmental policy.

In this environment, mainly by making capital spending focused on medium-term demand, the Group worked to increase its production capacity and productivity for high-value-added products and to develop new products and businesses.

As a result, in the first half of the consolidated fiscal year under review, although the 3,204 million yen in sales recorded in the first quarter of the previous fiscal year for Chinese high-temperature reactor-pebble-bed modules (HTR-PM) was removed, net sales were 19,141 million yen (down 13.2% year on year [up 1.5% year on year excluding those of Chinese HTR-PM]). On the income side, operating income fell 24.4% to 3,158 million yen, ordinary income fell 25.1% to 3,066 million yen, and profit attributable to owners of parent stood at 2,303 million yen, down 24.6%.

The overall performance of each business segment was as follows. (Please refer to “3. Supplementary Information” for an overview of each product category.)

Japan

Although sales of products for semiconductor, LED, and metallurgical applications were strong and those of carbon products for mechanical applications remained steady, the 2,651 million yen in sales recorded in the first quarter of the previous fiscal year for Chinese high-temperature reactor-pebble-bed modules (HTR-PM) was removed. As a result, in Japan, net sales were 10,355 million yen (down 14.4% year on year), and operating income was 2,401 million (down 6.9% year on year).

United States

Sales of products for electronic-related applications and metallurgical applications were strong, and there was also a profitability improvement effect. As a result, in the United States, net sales were 1,722 million yen (up 25.8% year on year), and operating income was 397 million yen (up 52.3% year on year).

Europe

Although sales of products for electronics-related applications and metallurgical applications remained strong, sales of carbon brush products remained weak. As a result, in Europe, net sales were 1,763 million yen (up 2.1% year on year), and there was an operating loss of 67 million yen (versus an operating loss of 102 million yen in the year-ago period).

Asia

Sales of products for solar cell applications and carbon brush products remained weak, and sales of products for metallurgical applications underperformed. Furthermore, the 553 million yen in sales recorded in the first quarter of the previous fiscal year for Chinese high-temperature reactor-pebble-bed modules (HTR-PM) was removed. As a result, net sales were 5,300 million yen (down 22.7% year on year), and operating income was 502 million yen (down 63.6% year on year).

(2) Explanation Regarding Financial Position

Total assets, as of June 30, 2019, decreased by 553 million yen from the end of the previous consolidated fiscal year. This was primarily because, although inventory increased by 413 million yen and property, plant and equipment increased by 490 million yen, notes and accounts receivable - trade decreased by 1,477 million yen.

Total liabilities decreased by 1,334 million yen from the end of the previous consolidated fiscal year. This was primarily because, notes and accounts payable - trade decreased by 245 million yen, electronically recorded obligations - operating decreased by 307 million yen, accounts payable - other decreased by 389 million yen, and income taxes payable decreased 289 million yen.

Total net assets increased by 781 million yen from the end of the previous consolidated fiscal year. This was primarily because foreign currency translation adjustment decreased by 489 million yen although retained earnings increased by 1,254 million yen.

Please note that, from the beginning of the consolidated first quarter, the Group has adopted “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28 February 16, 2018). In regard to its financial position, it makes a comparison with the accounting figures from the end of the previous consolidated fiscal year after retrospectively applying the necessary treatment.

(3) Explanation of Information Regarding Consolidated Earnings Forecasts and Other Projections

Based on the results of the first half of the consolidated fiscal year under review, the Group has revised its consolidated full year forecasts for the fiscal year ending in December 2019, released on February 14, 2019.

For details, please refer to “Notification of Differences between Consolidated Earnings Forecasts for First Half of Fiscal Year and Actual Results, and Revisions to Consolidated Earnings Forecasts for Fiscal Year” issued on August 7, 2019.

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly consolidated balance sheets

(Millions of yen, rounded down)

	As of December 31, 2018	As of June 30, 2019
	Amount	Amount
Assets		
Current assets		
Cash and deposits	17,885	18,296
Notes and accounts receivable - trade	15,274	13,797
Merchandise and finished goods	6,420	6,338
Work in process	5,619	5,690
Raw materials and supplies	2,646	3,071
Other	557	424
Allowance for doubtful accounts	(245)	(152)
Total current assets	48,159	47,465
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,566	8,772
Machinery, equipment and vehicles, net	6,946	6,949
Land	5,816	5,794
Construction in progress	1,315	1,076
Other, net	857	1,401
Total property, plant and equipment	23,502	23,993
Intangible assets	729	216
Investments and other assets	2,558	2,722
Total non-current assets	26,791	26,932
Total assets	74,951	74,397

(Millions of yen, rounded down)

	As of December 31, 2018	As of June 30, 2019
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,275	2,030
Electronically recorded obligations - operating	1,325	1,017
Short-term loans payable	402	406
Accounts payable - other	1,923	1,534
Income taxes payable	1,028	738
Provision for bonuses	560	438
Provision for directors' bonuses	33	—
Other	2,436	2,514
Total current liabilities	9,985	8,681
Non-current liabilities		
Long-term loans payable	103	84
Net defined benefit liability	131	137
Asset retirement obligations	264	266
Other	368	350
Total non-current liabilities	868	838
Total liabilities	10,854	9,519
Net assets		
Shareholders' equity		
Capital stock	7,947	7,947
Capital surplus	9,789	9,789
Retained earnings	44,821	46,076
Treasury shares	(59)	(60)
Total shareholders' equity	62,498	63,753
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	103	110
Foreign currency translation adjustment	886	397
Remeasurements of defined benefit plans	(162)	(87)
Total accumulated other comprehensive income	828	420
Non-controlling interests	770	704
Total net assets	64,096	64,877
Total liabilities and net assets	74,951	74,397

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

(Quarterly consolidated statements of income)

Six months ended June 30, 2018 and 2019

(Millions of yen, rounded down)

	Six months ended June 30, 2018 Amount	Six months ended June 30, 2019 Amount
Net sales	22,056	19,141
Cost of sales	14,510	12,509
Gross profit	7,545	6,632
Selling, general and administrative expenses	3,365	3,474
Operating income	4,179	3,158
Non-operating income		
Interest income	26	35
Dividend income	9	8
Share of profit of entities accounted for using equity method	46	26
Other	66	95
Total non-operating income	149	165
Non-operating expenses		
Interest expenses	7	2
Foreign exchange losses	199	217
Other	30	37
Total non-operating expenses	236	257
Ordinary income	4,092	3,066
Extraordinary income		
Gain on sales of non-current assets	64	3
Subsidy income	46	8
Total extraordinary income	110	11
Extraordinary losses		
Loss on sales of non-current assets	—	5
Loss on retirement of non-current assets	26	128
Total extraordinary losses	26	133
Profit before income taxes	4,177	2,944
Income taxes	1,078	609
Profit	3,098	2,335
Profit attributable to non-controlling interests	43	31
Profit attributable to owners of parent	3,055	2,303

(Quarterly consolidated statement of comprehensive income)

Six months ended June 30, 2018 and 2019

(Millions of yen, rounded down)

	Six months ended June 30, 2018 Amount	Six months ended June 30, 2019 Amount
Profit	3,098	2,335
Other comprehensive income		
Valuation difference on available-for-sale securities	(54)	6
Foreign currency translation adjustment	(646)	(496)
Remeasurements of defined benefit plans, net of tax	0	75
Share of other comprehensive income of entities accounted for using equity method	(24)	(20)
Total other comprehensive income	(724)	(435)
Comprehensive income	2,374	1,899
Comprehensive income attributable to:		
Owners of parent	2,367	1,895
Non-controlling interests	6	4

(3) Consolidated statements of cash flows

(Millions of yen, rounded down)

	Six months ended June 30, 2018	Six months ended June 30, 2019
Cash flows from operating activities		
Profit before income taxes	4,177	2,944
Depreciation	1,555	1,418
Share of (profit) loss of entities accounted for using equity method	(46)	(26)
Increase (decrease) in net defined benefit asset or liability	(49)	75
Increase (decrease) in provision for bonuses	(4)	(118)
Increase (decrease) in provision for directors' bonuses	(22)	(33)
Increase (decrease) in allowance for doubtful accounts	22	(88)
Interest and dividend income	(36)	(43)
Interest expenses	7	2
Foreign exchange losses (gains)	75	49
Loss (gain) on sales of non-current assets	(38)	130
Decrease (increase) in notes and accounts receivable - trade	(978)	1,285
Decrease (increase) in inventories	1,329	(563)
Increase (decrease) in notes and accounts payable - trade	309	(455)
Other	(2,569)	(277)
Subtotal	3,730	4,299
Interest and dividend income received	38	53
Interest expenses paid	(4)	(1)
Income taxes paid	(1,012)	(1,117)
Net cash provided by (used in) operating activities	2,751	3,233
Cash flows from investing activities		
Payments into time deposits	(5,109)	(5,253)
Proceeds from withdrawal of time deposits	3,270	5,564
Purchase of property, plant and equipment	(986)	(1,439)
Proceeds from sales of property, plant and equipment	4	4
Purchase of intangible assets	(11)	(57)
Other	(15)	(38)
Net cash provided by (used in) investing activities	(2,847)	(1,219)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(422)	25
Repayments of long-term loans payable	(83)	(29)
Repayments of finance lease obligations	(18)	(27)
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	149	—
Purchase of treasury shares	(0)	(0)
Cash dividends paid	(624)	(1,046)
Dividends paid to non-controlling interests	(56)	(70)
Net cash provided by (used in) financing activities	(1,057)	(1,148)
Effect of exchange rate change on cash and cash equivalents	(148)	(93)
Net increase (decrease) in cash and cash equivalents	(1,302)	771
Cash and cash equivalents at beginning of period	6,361	6,414
Cash and cash equivalents at end of period	5,058	7,186

(4) Notes on quarterly consolidated financial statements

(Notes regarding the premise of a going concern)

Not applicable.

(Notes if the amount of shareholders' equity has changed significantly)

Not applicable.

(Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements)

(Tax expense calculations)

Tax expenses are calculated by multiplying profit before income taxes by an effective tax rate, which are reasonably estimated by applying tax effect accounting to estimated profit before income taxes for the consolidated fiscal year, including the first half of the consolidated fiscal year under review.

(Additional information)

(Application of "Partial Amendments to Accounting Standard for Tax Effect Accounting")

"Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28 February 16, 2018) was adopted from the beginning of the consolidated first quarter. Deferred tax assets are stated under "investments and other assets" and deferred tax liabilities are stated under "non-current liabilities."

(Segment information)

I. Six months ended June 30, 2018 (From January 1, 2018 to June 30, 2018)

1. Information on net sales and the amount of profits (losses) by reportable segment

(Millions of yen, rounded down)

	Reportable segments					Adjusted amount (Note) 1	Amount recorded in the consolidated quarterly income statement (Note) 2
	Japan	United States	Europe	Asia	Total		
Net sales							
(1) Sales to unaffiliated customers	12,101	1,369	1,726	6,858	22,056	—	22,056
(2) Intersegment sales or transfers	3,529	181	9	179	3,899	(3,899)	—
Total	15,630	1,550	1,735	7,038	25,956	(3,899)	22,056
Segment profit (loss)	2,580	260	(102)	1,381	4,119	60	4,179

(Notes) 1. Adjusted segment profit (loss) mainly takes into account the elimination of intersegment transactions and unrealized income.

2. Segment profit (loss) has been adjusted to reflect the operating income recorded in the consolidated quarterly statement of income.

2. Regional information

(Millions of yen, rounded down)

	Japan	North America	Europe	Asia		Rest of world	Total
				Asia (including China)	China only		
Net sales	7,262	1,434	1,944	11,347	9,097	67	22,056
Composition (%)	32.9	6.5	8.8	51.5	41.3	0.3	100.0

(Notes) 1. Sales are based on the locations of our customers, and are categorized into the relevant country or region segment according to geographical proximity.

2. The major countries or regions included in each geographic segment (except Japan) are listed below.

(1) North America: United States

(2) Europe: France, Germany, Italy

(3) Asia: China, Taiwan, South Korea

II. Six months ended June 30, 2019 (From January 1, 2019 to June 30, 2019)

1. Information on net sales and the amount of profits (losses) by reportable segment

(Millions of yen, rounded down)

	Reportable segments					Adjusted amount (Note) 1	Amount recorded in the consolidated quarterly income statement (Note) 2
	Japan	United States	Europe	Asia	Total		
Net sales							
(1) Sales to unaffiliated customers	10,355	1,722	1,763	5,300	19,141	—	19,141
(2) Intersegment sales or transfers	3,278	162	1	104	3,547	(3,547)	—
Total	13,634	1,885	1,764	5,405	22,689	(3,547)	19,141
Segment profit (loss)	2,401	397	(67)	502	3,233	(75)	3,158

- (Notes) 1. Adjusted segment profit (loss) mainly takes into account the elimination of intersegment transactions and unrealized income.
 2. Segment profit (loss) has been adjusted to reflect the operating income recorded in the consolidated quarterly statement of income.

2. Regional information

(Millions of yen, rounded down)

	Japan	North America	Europe	Asia		Rest of world	Total
				Asia (including China)	China only		
Net sales	8,174	1,914	1,855	7,114	5,010	82	19,141
Composition (%)	42.7	10.0	9.7	37.2	26.2	0.4	100.0

- (Notes) 1. Sales are based on the locations of our customers, and are categorized into the relevant country or region segment according to geographical proximity.
 2. The major countries or regions included in each geographic segment (except Japan) are listed below.
 (1) North America: United States
 (2) Europe: France, Germany, Italy
 (3) Asia: China, Taiwan, South Korea

3. Supplementary Information

(1) Orders and sales by product category

i. Orders

(Millions of yen, rounded down)

Products	Year ended December 31, 2018						Year ending December 31, 2019		
	1Q	2Q	1H	3Q	4Q	Fiscal year total	1Q	2Q	1H
Special graphite products	4,636	4,261	8,898	3,777	3,825	16,502	3,671	3,505	7,177
Carbon products for general industries* ² (for mechanical applications)	911	848	1,760	970	968	3,698	976	1,023	2,000
Carbon products for general industries (for electrical applications)	1,276	1,308	2,584	1,141	1,059	4,785	1,126	1,130	2,257
Compound materials and other products	3,382	2,959	6,342	2,755	2,543	11,641	2,487	1,994	4,481
Total	10,208	9,377	19,585	8,645	8,396	36,627	8,262	7,654	15,917

(Notes) 1. These orders were denominated in foreign currency prior to the previous quarter; discrepancies resulting from fluctuations in foreign exchange rates during the quarter under review are included in the figure for orders placed in this quarter.

*2. Data for general carbon products (carbon for mechanical applications) includes orders that have not been officially confirmed.

ii. Outstanding orders

(Millions of yen, rounded down)

Products	Year ended December 31, 2018				Year ending December 31, 2019	
	1Q	2Q	3Q	4Q	1Q	2Q
Special graphite products	3,159	3,299	2,984	3,381	3,177	2,859
Carbon products for general industries* ² (for mechanical applications)	648	622	729	733	770	823
Carbon products for general industries (for electrical applications)	981	977	894	849	848	827
Compound materials and other products	3,664	4,057	4,229	4,234	4,029	3,540
Total	8,453	8,957	8,836	9,198	8,826	8,050

(Notes) 1. These orders were denominated in foreign currency prior to the previous quarter; discrepancies resulting from fluctuations in foreign exchange rates during the quarter under review are included in the figure for orders placed in this quarter.

*2. Data for general carbon products (carbon for mechanical applications) includes orders that have not been officially confirmed.

iii. Sales performance by product category

(Millions of yen, rounded down)

Products	Year ended December 31, 2018						Year ending December 31, 2019		
	1Q	2Q	1H	3Q	4Q	Fiscal year total	1Q	2Q	1H
Special graphite products	7,248	4,521	11,769	4,464	4,019	20,254	4,227	4,300	8,528
[Electronics applications]	1,392	1,775	3,167	1,587	1,445	6,200	1,440	1,540	2,981
[General industries applications]	2,232	2,306	4,538	2,394	2,160	9,093	2,308	2,275	4,583
[Others]	3,624	439	4,063	483	413	4,959	478	484	963
Carbon products for general industries (for mechanical applications)	873	894	1,767	883	1,005	3,656	960	998	1,958
Carbon products for general industries (for electrical applications)	1,292	1,293	2,586	1,214	1,189	4,991	1,128	1,141	2,269
Compound materials and other products	2,384	2,518	4,903	2,592	2,579	10,075	2,756	2,429	5,186
[3 major products]	2,083	2,256	4,340	2,206	2,220	8,767	2,347	2,041	4,389
[Other products]	300	262	562	385	359	1,307	408	387	796
Related goods	536	493	1,029	551	574	2,155	614	584	1,199
Total	12,335	9,720	22,056	9,707	9,368	41,132	9,686	9,455	19,141

(2) Overview

Special graphite products

In electronics applications, although applications for single-crystal silicon manufacturing performed well supported by solid demand, sales of products for solar cell applications were low due mainly to the impact of a shift in Chinese governmental policy. As a result, performance fell below that in the same period in the previous fiscal year.

In general industries applications, demand for products for continuous casting and products for EDM electrodes was solid. Demand for products for industrial furnaces was also strong due to solid capital investment in the automotive industry. As a result, performance surpassed that in the same period in the previous fiscal year.

Under Others, since the 3,204 million yen in sales recorded in the first quarter of the previous fiscal year for Chinese high-temperature reactor-pebble-bed modules (HTR-PM) was removed, the figure for net sales in the period under review fell below the figure in the year-ago period.

Therefore, special graphite products overall performed worse than in the same period of the previous fiscal year.

Carbon products for general industries

Sales of carbon products for mechanical applications surpassed the same period of the previous fiscal year with strong ongoing demand for mainstay products such as bearings, seal materials, and pantograph sliders.

Carbon products for electrical applications fell short of their performance in the same period of the previous fiscal year due to low demand for products for electrical power tools and home appliances applications.

Therefore, carbon products for general industries overall performed worse than in the same period of the previous fiscal year.

Compound materials and other products

Sales of SiC (silicon carbide)-coated graphite products exceeded levels in the same period in the previous fiscal year due to strong demand for semiconductor application offsetting slowdown in demand for LED

applications. C/C composite products exceeded their performance in the same period in the previous fiscal year, as demand for semiconductor applications and industrial furnace applications was strong, although demand for solar cell applications was low. Sales of graphite sheet products fell below the level in the same period of the previous fiscal year reflecting generally sluggish demand for automotive, electronics-related and metallurgical applications.

Therefore, compound materials and other products overall performed better than in the same period of the previous fiscal year.