



August 9, 2017

Consolidated Financial Results for the Six Months Ended June 30, 2017 [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 10, 2017
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, 2017

(From January 1, 2017 to June 30, 2017)

(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, 2017		16,564	(2.2)	1,326	158.3	1,130	338.3	1,129	367.5
Six months ended June 30, 2016		16,941	(4.1)	513	45.2	257	(48.4)	241	(37.7)
(Note) Comprehensive income:									
		Six months ended June 30, 2017		650 million yen (-%)					
		Six months ended June 30, 2016		(2,306) million yen (-%)					
		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, 2017		54.47		54.43					
Six months ended June 30, 2016		11.65		-					

(2) Financial position

(Millions of yen, rounded down)

	Total assets	Net assets	Equity ratio
			%
As of June 30, 2017	69,559	57,998	82.2
As of December 31, 2016	69,797	58,182	81.4
(Reference)	Shareholders' equity:		
	June 30, 2017	57,173 million yen	
	December 31, 2016	56,831 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, 2016	-	0.00	-	25.00	25.00
Year ending December 31, 2017 (Actual)	-	0.00			
Year ending December 31, 2017 (Forecast)			-	25.00	25.00

(Note) Revisions of projected dividends most recently announced: None

3. Consolidated results forecast for the fiscal year ending December 31, 2017

(From January 1, 2017 to December 31, 2017)

(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, 2017	32,500	0.1	1,900	191.1	1,700	123.9	1,600	463.0	77.12

(Note) Revisions of consolidated forecasts most recently announced: Yes

Please refer to "Notification of Posting of Non-operating Expense, Extraordinary Income and Extraordinary Losses (Including Updates on Previous Disclosure), Differences between Consolidated Earnings Forecasts for First Half of the Fiscal Year and Actual Results, and Revisions to Consolidated Earnings Forecasts for the Fiscal Year" released on August 9, 2017, for details.

*** 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, 2017 20,773,988 shares

As of December 31, 2016 20,750,688 shares

2) Number of treasury stock at the end of period

As of June 30, 2017 17,169 shares

As of December 31, 2016 17,169 shares

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

Six months ended June 30, 2017 20,739,054 shares

Six months ended June 30, 2016 20,733,519 shares

*** The quarterly financial results report is not subject to quarterly review procedures.**

*** 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 21, 2017. The materials distributed at the briefing are scheduled to be disclosed on TDnet and our website on that same day.

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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, the US economy continued to expand on the back of a recovery in the labor market and an increase in capital spending, while Europe continued to experience a gradual recovery, despite weaknesses in some sectors of the UK. Emerging economies such as China recovered. The Japanese economy also made a gradual recovery, with improvements in corporate earnings and the employment conditions attributable to economic measures taken by the government.

The business environment surrounding the Group remains harsh as a result of heightened competition with other companies. In this environment, conditions in the solar cell market were strong as a result of an increase in foreign demand, particularly in China. In addition, demand in the semiconductor market remained solid due to improvements in the supply/demand balance, with steady performances in the LED, general industries, and carbon brush markets.

The Group is achieving solid results by taking on various business structural reform measures with a sense of urgency, such as cutting fixed costs and consolidating bases.

As a result, in the first half of the consolidated fiscal year under review, net sales fell 2.2% year on year to 16,564 million yen. On the income side, operating income rose 158.3% to 1,326 million yen, ordinary income rose 338.3% to 1,130 million yen, and profit attributable to owners of parent stood at 1,129 million yen, up 367.5%.

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

Japan

With the overall solid market, our efforts to improve profitability resulted in a 0.4% increase in net sales to 8,711 million yen, and a 416.3% increase in operating income to 942 million yen.

United States

Sales of electronics-related products for semiconductor applications and solar cell applications were slow to improve, but efforts to improve revenue resulted in an 8.9% decrease in net sales to 1,246 million yen and an operation loss of 103 million yen (compared to a 235 million yen operating loss in the same period of the previous fiscal year).

Europe

Sales of carbon brush-related products were strong, and metallurgical applications remained solid, but electronics-related applications were weak. As a result, net sales fell 7.3% year on year to 1,455 million yen and operating income decreased 28.2% to 12 million yen.

Asia

Although sales for solar cell applications were strong, they decreased compared to the same period of the previous year due to one-off demand for facility upgrades in that period. At the same time, metallurgical applications and carbon brush-related products were solid performances, and efforts to improve profitability paid off. As a result, net sales fell 3.2% to 5,151 million yen and operating income increased 31.2% to 406 million yen.

(2) Explanation Regarding Financial Position

Total assets as of June 30, 2017, decreased by 238 million yen from the end of the previous consolidated fiscal year. This was primarily because, although cash and deposits increased by 178 million yen, notes and accounts receivable—trade increased by 218 million yen, and other current assets increased 534 million yen due to accrued proceeds from the sale of investments in capital of subsidiaries and affiliates, property, plant and equipment fell by 718 million yen as a result of depreciation posted and inventories decreased by 402 million yen.

Total liabilities decreased by 54 million yen from the end of the previous consolidated fiscal year. This was primarily because, although notes and accounts payable—trade increased by 134 million yen and income taxes payable increased by 268 million yen, accounts payable-other decreased by 151 million yen due to the payments for facilities and interest-bearing liabilities decreased by 345 million yen.

Total net assets decreased by 183 million yen from the end of the previous consolidated fiscal year. This was primarily because foreign currency translation adjustments decreased by 390 million yen and non-controlling interests decreased by 525 million yen due to the sale of a consolidated subsidiary, outweighing the 611 million yen increase in retained earnings.

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

In light of the results in the first half of the consolidated fiscal year under review, the Company has revised the consolidated earnings forecasts for the fiscal year ending December 31, 2017, released on February 14, 2017.

For details, please refer to the press release entitled “Notification of Posting of Non-operating Expense, Extraordinary Income and Extraordinary Losses (Including Updates on Previous Disclosure), Differences between Consolidated Earnings Forecasts for First Half of the Fiscal Year and Actual Results, and Revisions to Consolidated Earnings Forecasts for the Fiscal Year,” released on August 9, 2017.

2. Quarterly Consolidated Financial Statements and Important Notes

(1) Quarterly consolidated balance sheets

(Millions of yen, rounded down)

	As of December 31, 2016	As of June 30, 2017
	Amount	Amount
Assets		
Current assets		
Cash and deposits	12,242	12,421
Notes and accounts receivable - trade	12,083	12,302
Merchandise and finished goods	6,480	6,059
Work in process	7,674	7,689
Raw materials and supplies	1,977	1,979
Other	1,179	1,713
Allowance for doubtful accounts	(275)	(239)
Total current assets	41,362	41,925
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,911	8,745
Machinery, equipment and vehicles, net	9,181	8,480
Land	5,770	5,827
Construction in progress	769	926
Other, net	788	723
Total property, plant and equipment	25,421	24,703
Intangible assets	1,011	922
Investments and other assets	2,002	2,007
Total non-current assets	28,435	27,633
Total assets	69,797	69,559

(Millions of yen, rounded down)

	As of December 31, 2016	As of June 30, 2017
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,931	2,065
Electronically recorded obligations - operating	1,000	1,013
Short-term loans payable	1,477	1,238
Accounts payable - other	1,440	1,289
Income taxes payable	95	364
Provision for bonuses	348	265
Other	3,854	3,960
Total current liabilities	10,148	10,197
Non-current liabilities		
Long-term loans payable	487	381
Net defined benefit liability	138	143
Asset retirement obligations	264	266
Other	576	572
Total non-current liabilities	1,466	1,363
Total liabilities	11,615	11,560
Net assets		
Shareholders' equity		
Capital stock	7,692	7,711
Capital surplus	9,534	9,554
Retained earnings	38,034	38,645
Treasury shares	(59)	(59)
Total shareholders' equity	55,201	55,851
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	119	147
Foreign currency translation adjustment	1,613	1,222
Remeasurements of defined benefit plans	(102)	(47)
Total accumulated other comprehensive income	1,629	1,321
Subscription rights to shares	100	100
Non-controlling interests	1,249	724
Total net assets	58,182	57,998
Total liabilities and net assets	69,797	69,559

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

(Quarterly consolidated statements of income)

Six months ended June 30, 2016 and 2017

(Millions of yen, rounded down)

	Six months ended June 30, 2016 Amount	Six months ended June 30, 2017 Amount
Net sales	16,941	16,564
Cost of sales	12,667	12,029
Gross profit	4,274	4,535
Selling, general and administrative expenses	3,761	3,209
Operating income	513	1,326
Non-operating income		
Interest income	35	27
Dividend income	6	8
Gain on currency options	127	26
Share of profit of entities accounted for using equity method	49	37
Other	106	99
Total non-operating income	325	198
Non-operating expenses		
Interest expenses	12	12
Foreign exchange losses	546	130
Loss on misappropriation of funds	—	228
Other	22	23
Total non-operating expenses	581	394
Ordinary income	257	1,130
Extraordinary income		
Gain on sales of non-current assets	49	104
Gain on the sale of investments in capital of subsidiaries and affiliates	—	87
Subsidy income	747	167
Insurance income	12	—
Gain on reversal of subscription rights to shares	1	0
Total extraordinary income	811	359
Extraordinary losses		
Loss on sales of non-current assets	0	0
Loss on retirement of non-current assets	18	110
Impairment loss	290	—
Total extraordinary losses	309	110
Income before income taxes and minority interests	760	1,378
Income taxes	392	160
Profit	368	1,217
Profit attributable to non-controlling interests	126	88
Profit attributable to owners of parent	241	1,129

(Quarterly consolidated statement of comprehensive income)

Six months ended June 30, 2016 and 2017

(Millions of yen, rounded down)

	Six months ended June 30, 2016 Amount	Six months ended June 30, 2017 Amount
Profit	368	1,217
Other comprehensive income		
Valuation difference on available-for-sale securities	(48)	27
Foreign currency translation adjustment	(2,633)	(641)
Remeasurements of defined benefit plans, net of tax	(20)	54
Share of other comprehensive income of entities accounted for using equity method	28	(8)
Total other comprehensive income	(2,674)	(567)
Comprehensive income	(2,306)	650
Comprehensive income attributable to:		
Owners of parent	(2,243)	821
Non-controlling interests	(63)	(170)

(3) Consolidated statements of cash flows

(Millions of yen, rounded down)

	Six months ended June 30, 2016	Six months ended June 30, 2017
Cash flows from operating activities		
Income before income taxes and minority interests	760	1,378
Depreciation	1,786	1,628
Impairment loss	290	—
Share of (profit) loss of entities accounted for using equity method	(55)	(41)
Increase (decrease) in net defined benefit asset or liability	(75)	29
Increase (decrease) in provision for bonuses	(105)	(81)
Increase (decrease) in allowance for doubtful accounts	86	(31)
Interest and dividend income	(41)	(35)
Interest expenses	12	12
Foreign exchange losses (gains)	139	37
Loss (gain) on sales of non-current assets	(31)	6
Decrease (increase) in notes and accounts receivable - trade	279	(472)
Decrease (increase) in inventories	248	346
Increase (decrease) in notes and accounts payable - trade	254	206
Other	(896)	294
Subtotal	2,653	3,277
Interest and dividend income received	52	34
Interest expenses paid	(11)	(12)
Income taxes paid	(422)	(63)
Net cash provided by (used in) operating activities	2,272	3,236
Cash flows from investing activities		
Payments into time deposits	(1,811)	(3,776)
Proceeds from withdrawal of time deposits	2,246	2,082
Purchase of property, plant and equipment	(1,144)	(1,193)
Proceeds from sales of property, plant and equipment	52	121
Purchase of intangible assets	(41)	(14)
Purchase of investment securities	(6)	(0)
Payments for the sale of investments in capital of subsidiaries and affiliates resulting in change in scope of consolidation	—	(1,064)
Other	(10)	48
Net cash provided by (used in) investing activities	(715)	(3,797)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	86	5
Repayments of long-term loans payable	(371)	(354)
Repayments of finance lease obligations	(11)	(21)
Cash dividends paid	(516)	(517)
Dividends paid to non-controlling interests	(21)	(37)
Net cash provided by (used in) financing activities	(832)	(925)
Effect of exchange rate change on cash and cash equivalents	(754)	(23)
Net increase (decrease) in cash and cash equivalents	(30)	(1,509)
Cash and cash equivalents at beginning of period	7,147	6,424
Cash and cash equivalents at end of period	7,116	4,915

(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.

(Changes in important subsidiaries during the first half of the consolidated fiscal year under review)

Not applicable.

Although this does not pertain to a change in a specified subsidiary, during the first half of the consolidated fiscal year the Group sold its investments in consolidated subsidiary Jiaxiang Toyo Tanso Co., Ltd., and so this company was removed from the scope of consolidation.

(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 and minority interests 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.

(Segment information)

I. Six months ended June 30, 2016 (From January 1, 2016 to June 30, 2016)

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	8,679	1,368	1,569	5,324	16,941	—	16,941
(2) Intersegment sales or transfers	3,043	80	15	65	3,204	(3,204)	—
Total	11,723	1,448	1,585	5,389	20,146	(3,204)	16,941
Segment profit (loss)	182	(235)	16	309	273	239	513

(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	6,800	1,370	1,745	6,932	4,863	92	16,941
Composition (%)	40.1	8.1	10.3	40.9	28.7	0.6	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. Information related to impairment losses on non-current assets, goodwill and other for each reportable segment
(Important impairment losses related to non-current assets)

(Millions of yen, rounded down)

	Japan	United States	Europe	Asia	Total
Impairment loss	290	—	—	—	290

In the Japan segment, sales plans for some manufacturing facilities related to the porous carbon business were expected to undercut initial forecasts, the utilization rate fell sharply due to the drop in production volumes, and the recoverable amount undercut the book value. As a result, the Company recognized an impairment loss.

II. Six months ended June 30, 2017 (From January 1, 2017 to June 30, 2017)

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	8,711	1,246	1,455	5,151	16,564	—	16,564
(2) Intersegment sales or transfers	3,023	30	2	47	3,103	(3,103)	—
Total	11,734	1,276	1,458	5,199	19,668	(3,103)	16,564
Segment profit (loss)	942	(103)	12	406	1,256	69	1,326

(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	6,837	1,368	1,606	6,653	4,769	97	16,564
Composition (%)	41.3	8.2	9.7	40.2	28.8	0.6	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. Information related to impairment losses on non-current assets, goodwill and other for each reportable segment
(Important impairment losses related to non-current assets)
Not applicable.

(Additional information)

(Application of Implementation Guidance on Recoverability of Deferred Tax Assets)

The Company has applied “Implementation Guidance on Recoverability of Deferred Tax Assets” (ASBJ Guidance No. 26, issued March 28, 2016) since the beginning of the first quarter of the consolidated fiscal year under review.

3. Supplementary Information

(1) Orders and sales by product category

i. Orders

(Millions of yen, rounded down)

Products	Year ended December 31, 2016						Year ending December 31, 2017		
	1Q	2Q	1H	3Q	4Q	Fiscal year total	1Q	2Q	1H
Special graphite products	3,710	3,035	6,746	2,646	2,994	12,387	3,306	3,599	6,905
Carbon products for general industries* ² (for mechanical applications)	806	756	1,562	905	658	3,127	1,320	504	1,824
Carbon products for general industries (for electrical applications)	1,223	1,064	2,288	1,397	1,318	5,003	1,235	1,353	2,588
Compound materials and other products	2,106	2,236	4,342	2,172	2,162	8,676	2,300	2,408	4,708
Total	7,846	7,092	14,939	7,121	7,133	29,195	8,161	7,865	16,027

(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, 2016				Year ending December 31, 2017	
	1Q	2Q	3Q	4Q	1Q	2Q
Special graphite products* ²	5,567	5,231	4,755	4,816	4,937	5,041
Carbon products for general industries* ³ (for mechanical applications)	441	459	684	653	1,209	918
Carbon products for general industries (for electrical applications)	1,067	886	965	926	876	902
Compound materials and other products	1,950	1,917	1,983	1,841	1,987	2,193
Total	9,026	8,495	8,388	8,237	9,011	9,056

(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 Outstanding orders for special graphite products include orders for the Chinese high-temperature reactor- pebble-bed modules (HTR-PM). Outstanding orders in the quarter under review include 3,183 million yen attributable to such orders.

3 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, 2016						Year ending December 31, 2017		
	1Q	2Q	1H	3Q	4Q	Fiscal year total	1Q	2Q	1H
Special graphite products	3,996	3,631	7,627	3,361	3,230	14,219	3,655	3,768	7,424
[Electronics applications]	1,574	1,291	2,866	1,094	1,058	5,018	1,301	1,327	2,628
[General industries applications]	1,981	1,955	3,936	1,888	1,893	7,719	1,996	2,083	4,080
[Others]	440	383	824	378	278	1,481	357	357	714
Carbon products for general industries (for mechanical applications)	791	766	1,557	694	714	2,966	791	822	1,614
Carbon products for general industries (for electrical applications)	1,291	1,219	2,511	1,284	1,357	5,153	1,293	1,321	2,614
Compound materials and other products	2,458	2,261	4,719	2,091	2,309	9,120	2,171	2,209	4,380
[3 major products]	2,162	1,960	4,123	1,843	2,018	7,985	1,897	1,943	3,840
[Other products]	295	300	596	248	290	1,134	274	266	540
Related goods	247	278	525	181	296	1,003	202	327	530
Total	8,785	8,156	16,941	7,613	7,909	32,464	8,115	8,449	16,564

(2) Overview

Special graphite products

In electronics applications, demand for solar cell applications and semiconductor applications recovered, but in general industries applications, demand for products for EDM electrodes, industrial furnaces and products for continuous casting remained solid. The performance of special graphite products overall was generally unchanged from the same period of the previous fiscal year, but there were signs of a recovery from the start of this 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 core products, such as bearings, seal materials, and pantograph sliders. Carbon products for electrical applications exceeded sales in the same period of the previous fiscal year due to solid demand for small motor applications such as electrical power tools and cleaner applications, but competition with other companies remained harsh.

Compound materials and other products

Sales of compound materials and other products fell short of levels in the same period of the previous fiscal year, but in SiC (silicon carbide)-coated graphite products, LED applications were solid and demand for semiconductor applications recovered. Sales of graphite sheet products remained strong, primarily for metallurgical applications, and in C/C composite products, semiconductor applications remained solid performances.