

Sumitomo Heavy Industries, Ltd.

CONSOLIDATED FINANCIAL REPORT

For the Nine-Month Period from January 1 to September 30, 2024

All financial information has been prepared in accordance with generally accepted accounting principles in Japan. This document has been translated from the Japanese original as a guide to non-Japanese investors, and contains forward-looking statements that are based on management's estimates, assumptions, and projections at the time of publication. A number of factors could cause actual results to differ materially from expectations. Amounts shown in this financial statement have been rounded to the nearest million yen.



Summary of Consolidated Financial Results
For the Nine-Month Period from January 1 to September 30, 2024
Presented October 31, 2024

Sumitomo Heavy Industries, Ltd.

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Scheduled date for submitting semi-annual report	October 31, 2024
Scheduled date of payment of cash dividends	-
Availability of supplementary explanations for financial statement	Yes
Holding of meeting to explain financial statement	Yes

1. FY2024 Third Quarter Consolidated Results (January 1, 2024 to September 30, 2024)

(1) Business Results

(Units: millions of yen)

	Third Quarter January 1 to September 30, 2024		Third Quarter January 1 to September 30, 2023	
		% change		% change
Net sales	772,072	(0.1)	772,505	—
Operating profit	41,050	(17.5)	49,732	—
Ordinary profit	35,289	(29.9)	50,362	—
Profit attributable to owners of parent	24,297	(29.2)	34,319	—
Profit attributable to owners of parent ratio (yen)	200.55		280.17	
Fully diluted profit attributable to owners of parent ratio	—		—	

Note 1: Comprehensive income:

Fiscal quarter ended September 30, 2024:	29,551 million yen, (55.9 %)
Fiscal quarter ended September 30, 2023:	66,970 million yen, (— %)

Note 2: The Company has changed the closing date from March 31 to December 31 starting from the fiscal year ended December 31, 2022. For the fiscal year ended December 31, 2022, a transition period for the change of the closing date, consolidated financial statements for the third quarter were not prepared. As a result, year-on-year change rates for the third quarter of the fiscal year ended September 30, 2023 are not described in this document.



(2) Financial Position

(Units: millions of yen)

	End of Third Quarter As of September 30, 2024	End of Previous Full Year December 31, 2023
Total assets	1,223,040	1,200,857
Total net assets	629,899	627,464
Equity ratio (%)	51.0	51.6

Reference: Equity:

Fiscal quarter ended September 30, 2024:	623,721 million yen
Fiscal year ended December 31, 2023:	619,771 million yen

2. Dividends

(Unit: yen)

	Year Ended December 31, 2023	Year Ending December 31, 2024	Year Ending December 31, 2024 (forecast)
Annual dividends per share			
First quarter	—	—	
Second quarter	60.00	60.00	
Third quarter	—	—	
End of term	60.00		65.00
Annual dividends	120.00		125.00

Note: Changes from the most recent dividend forecast: No

3. FY2024 Consolidated Forecasts (January 1, 2024 to December 31, 2024)

(Units: millions of yen)

	Full Year January 1, 2024 to December 31, 2024	% change
Net sales	1,070,000	(1.1)
Operating profit	65,000	(12.6)
Ordinary profit	61,000	(13.2)
Profit attributable to owners of parent	38,000	16.1
Profit attributable to owners of parent ratio (yen)	316.18	

Note 1: Changes from the most recent dividend forecast: No

Note 2: At the Board of Directors meeting held on February 14, 2024, the Company passed a resolution regarding the acquisition of treasury shares. "Profit attributable to owners of parent ratio (yen)" in the Consolidated Forecasts section reflects the impact of the acquisition of treasury shares.



Additional Notes

(1) Significant changes in the scope of consolidation during the nine months ended September 30, 2024: Yes

Newly consolidated: —

Excluded from consolidation: One company: (Company name) Sumitomo Heavy Industries PTC Sales Co., Ltd.

(2) Special accounting measures applied in the quarterly consolidated financial report: Applicable

(3) Changes to accounting policies, changes to accounting estimates, and retrospective restatements

(i) Changes to accounting policies due to revisions to accounting standards: None

(ii) Changes to accounting policies not otherwise stated in (i): None

(iii) Changes to accounting estimates: None

(iv) Retrospective restatements: None

(4) Number of shares issued (share capital)

(i) Number of shares issued at end of fiscal period (including treasury shares):

As of September 30, 2024	122,905,481 shares
As of December 31, 2023	122,905,481 shares

(ii) Number of treasury shares at end of fiscal period:

As of September 30, 2024	2,724,706 shares
As of December 31, 2023	418,174 shares

(iii) Average number of shares during fiscal period (cumulative quarterly period) :

As of September 30, 2024	121,156,550 shares
As of September 30, 2023	122,491,955 shares

*Treasury stock that is deducted to calculate the number of term-end treasury stock and the average number of shares during the fiscal period includes shares of the Company held in the trust account related to the share delivery trust established for the stock compensation plan for directors and others.

* Review of the attached quarterly consolidated financial statements by a Certified Public Accountant or an Independent Auditor : None

* Explanation on the proper use of earnings forecasts, and other special remarks

* Earnings forecasts and outlooks concerning future financial results are believed to be reasonable based on information available at the time of publication. Actual financial results may vary from the above forecast and outlook due to a variety of factors. For information on the assumptions that form the basis of the earnings forecast and items to note concerning the use of earnings forecasts, please refer to the *Explanation of the Consolidated Earnings Forecast and Other Forward-Looking Estimates* in the *Supplementary Materials* section beginning on page 3.



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I. Qualitative Information regarding Current Quarterly Consolidated Business Performance

1. Explanation of Business Performance

Regarding the economic environment surrounding the Group for the third quarter under review, in Japan, capital investment was on a gradual recovery trend mainly in the manufacturing industry, while some sectors showed a lack of strength, such as signs of hesitancy observed in the semiconductor market's recovery. Turning to overseas regions, the US economy saw strong capital investment; however, Europe experienced an economic slowdown due to monetary tightening, and mainly the UK and German economies continued to show signs of weakness. The Chinese economy experienced a continued slowdown, triggered by a worsening real estate market. The recovery in production and consumption was weak, and demand remained sluggish, impacting even Southeast Asia. In addition, risks (such as the issue between Russia and Ukraine and the situation in the Middle East) persisted in the geopolitical landscape. Due primarily to these reasons, the economic outlook remained uncertain.

In this business environment, according to the "Medium-Term Management Plan 2026," the Group aimed to increase corporate value in a sustainable manner by solving social issues through products and services. Also, we moved forward with measures, such as expanding contribution to SDGs and strengthening initiatives for reducing negative environmental impacts, as well as improving our earning capacity and capital efficiency and strengthening our efforts to explore new businesses in order to develop a robust entity.

As a result, the Group's orders amounted to JPY665.8 billion (down 12% from the same period of the previous fiscal year) and sales remained unchanged at JPY772.1 billion as compared to the same period of the previous fiscal year. In terms of profitability, the Group posted operating profit of JPY 41.1 billion (down 17% from the same period of the previous fiscal year) and ordinary profit of JPY 35.3 billion (down 30% from the same period of the previous fiscal year) and quarterly profit attributable to owners of parent came to JPY 24.3 billion (down 29% from the same period of the previous fiscal year).

The situation by segment is described below.

(i) Mechatronics

While demand for small and medium size gear reducers was strong in Japan, demand for semiconductor-related products decreased, resulting in a reduction in orders. Sales and operating profit declined due to the lack of recovery in demand for gear reducers and motors in Europe and China.

As a result, orders decreased by 2% as compared to the same period of the previous fiscal year to finish at JPY148.2 billion, while sales decreased by 7% to JPY150.1 billion, and operating profit decreased by 78% to JPY2.1 billion.

(ii) Industrial Machinery

For the plastics machinery business, orders remained unchanged year on year, as cooling investment persisted in Europe, despite demand for electrical and electronics-related products bottoming out in China. On the other hand, sales and operating profit decreased due to a decline in order backlogs, primarily in Europe.

Orders in other businesses declined due partly to inventory adjustment and investment postponement by customers, which were caused by stagnation in semiconductor market conditions. Sales increased due to a substantial backlog of orders, while operating profit was flat year on year due to a change in the model lineup.

As a result, in year-on-year terms, orders decreased by 5% to JPY187.2 billion, sales remained unchanged at JPY200.8 billion, and operating profit decreased by 19% to JPY14.1 billion.

(iii) Logistics & Construction

In the hydraulic excavator business, orders and sales decreased, partly due to a decline in demand for rental equipment in the US and Japan and the absence of gains from advance orders in the US in the previous fiscal year. Meanwhile, operating profit remained unchanged year on year.



For other businesses, the mobile crane segment decreased in orders due to weak demand in Japan, while sales and operating profit increased, benefiting from a substantial order backlog in North America. Additionally, for the material handling system business, orders and sales increased due to large-scale projects for iron production and shipbuilding, but operating profit maintained the same level as the previous fiscal year due to a reduction in highly profitable projects.

As a result, orders decreased by 19% as compared to the same period of the previous fiscal year to finish at JPY240.5 billion, while sales increased by 2% to JPY285.8 billion. Operating profit increased by 18% to JPY21.4 billion.

(iv) Energy & Lifeline

For the energy plant business, orders declined due to a decrease in large-scale projects for biomass-fueled power generation plants in Europe. On the other hand, sales increased due to a backlog of orders, but operating profit decreased primarily because of an increase in development expenses incurred for commercializing the Liquid Air Energy Storage (LAES) .

For other businesses, orders decreased partly due to withdrawal from the new shipbuilding business. However, sales and operating profit saw an uptick because of a rise in projects that could be factored into sales in this fiscal year.

As a result, in year-on-year terms, orders decreased 17% to JPY85.2 billion, sales increased by 4% to JPY130.8 billion, and operating profit decreased by 35% to JPY2.0 billion.

(v) Others

In year-on-year terms, orders experienced a 4% increase, amounting to JPY4.7 billion, sales remained unchanged at JPY4.6 billion, and operating profit decreased by 9% to JPY1.3 billion.

2. Explanation of the Group's Consolidated Financial Position

1. Condition of Assets, Liabilities, and Net Assets

Total assets at the end of the third quarter of the current consolidated fiscal year (ended September 30, 2024) amounted to JPY1,223.0 billion, an increase of JPY22.2 billion as compared to the end of the previous consolidated fiscal year. This was mainly due to increases of JPY29.2 billion in inventory assets and JPY15.7 billion in tangible fixed assets as compared to the end of the previous consolidated fiscal year, while notes and accounts receivable - trade and contract assets decreased by JPY32.0 billion.

Total liabilities came to JPY593.1 billion, an increase of JPY19.7 billion as compared to the end of the previous consolidated fiscal year. This was partly because interest-bearing liabilities increased by JPY63.0 billion, while notes and accounts payable - trade decreased by JPY29.6 billion.

Net assets amounted to JPY629.9 billion, an increase of JPY2.4 billion as compared to the end of the previous consolidated fiscal year. This was mainly due to increases of JPY9.7 billion and JPY3.9 billion in retained earnings and foreign currency translation adjustments, respectively, despite a decrease of JPY10.0 billion attributable to the acquisition of treasury shares..

As a result of the above, the shareholders' equity ratio experienced a 0.6 point drop from the end of the previous consolidated fiscal year to finish at 51.0%.

2. Cash Flow Condition

Cash and cash equivalents at the end of the third quarter of the current consolidated fiscal year came to JPY103.7 billion, an increase of JPY3.5 billion from the end of the previous consolidated fiscal year. Cash flows for the cumulative third quarter of the current consolidated fiscal year and the factors contributing to increases or decreases in cash flows are as follows.

(Cash Flow from Operating Activities)



Cash flow from operating activities increased by JPY10.6 billion during the cumulative third quarter of the current consolidated fiscal year, and declined by JPY26.3 billion year on year. This was mainly attributable to an expansion in the decrease of notes and accounts payable, a decrease in quarterly profit before income taxes, and an increase in payments for income taxes, while an increase in inventory assets slowed down.

(Cash Flow from Investing Activities)

Cash flow from investing activities decreased by JPY42.4 billion during the cumulative third quarter of the current consolidated fiscal year, and declined by JPY10.0 billion year on year. This was partly due to an increase in expenses for acquisition of tangible and intangible fixed assets.

(Cash Flow from Financing Activities)

Cash flow from financing activities increased by JPY34.5 billion during the cumulative third quarter of the current consolidated fiscal year, and rose by JPY31.4 billion year on year. This was partly due to an increase in expenses for the acquisition of treasury shares and an increase in interest-bearing debt.

3. Explanation of the Consolidated Earnings Forecast and Other Forward-Looking Estimates

No change has been made to the consolidated earnings forecast for the fiscal year ending December 31, 2024 that was announced in the financial report dated August 7, 2024.



II. Quarterly Consolidated Financial Statements and Key Explanatory Notes

1. Quarterly Consolidated Balance Sheets

(Units: millions of yen)

	End of Full Year As of December 31, 2023	End of Third Quarter As of September 30, 2024
	Amount	Amount
Assets		
Current assets		
Cash and deposits	104,458	107,447
Notes and accounts receivable - trade and contract assets	289,861	257,862
Inventory assets	321,086	350,277
Other	35,280	37,096
Allowance for doubtful accounts	(2,400)	(2,049)
Total current assets	748,285	750,634
Fixed assets		
Tangible fixed assets		
Land	111,169	111,443
Other (net)	218,837	234,290
Total tangible fixed assets	330,007	345,732
Intangible fixed assets		
Goodwill	19,312	18,384
Other	26,300	26,232
Total intangible fixed assets	45,612	44,616
Investments and other assets		
Other	84,862	89,307
Allowance for doubtful accounts	(7,909)	(7,249)
Total investments and other assets	76,953	82,058
Total Fixed assets	452,572	472,407
Total assets	1,200,857	1,223,040

(Units: millions of yen)

	End of Full Year As of December 31, 2023	End of Third Quarter As of September 30, 2024
	Amount	Amount
Liabilities		
Current liabilities		
Notes and accounts payable - trade	180,822	151,231
Short-term loans payable	63,258	84,502
Current portion of bonds payable	10,000	20,000
Current portion of long-term loans payable	9,741	4,438
Commercial paper	—	15,000
Provision for bonuses	7,753	15,309
Provision for construction warranties	12,164	11,748
Other provision amount	3,036	2,101
Other	129,555	102,890
Total current liabilities	416,329	407,218
Fixed Liabilities		
Bonds payable	40,000	40,000
Long-term debt due after one year	39,231	61,280
Defined benefit liability	33,836	35,564
Deferred income taxes on revaluation	20,408	20,408
Provision amount	161	162
Other	23,428	28,510
Total non-current liabilities	157,064	185,924
Total liabilities	573,393	593,142
Net assets		
Shareholders' equity		
Capital stock	30,872	30,872
Capital surplus	25,203	25,203
Retained earnings	433,579	443,308
Treasury shares	(1,177)	(11,204)
Total Shareholders' equity	488,476	488,178
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,951	7,841
Deferred gains or losses on hedges	(956)	(373)
Revaluation reserve for land	40,307	40,307
Foreign currency translation adjustments	72,163	76,049



	End of Full Year As of December 31, 2023	End of Third Quarter As of September 30, 2024
	Amount	Amount
Remeasurements of defined benefit plans	12,831	11,719
Total accumulated other comprehensive income	131,295	135,543
Non-controlling interests	7,693	6,177
Total net assets	627,464	629,899
Total liabilities and net assets	1,200,857	1,223,040



2. Quarterly Consolidated Income Statements and Quarterly Consolidated Statement of Comprehensive Income

Quarterly Consolidated Income Statements

Nine months ended September 30, 2024

(Units: millions of yen)

	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024
	Amount	Amount
Net sales	772,505	772,072
Cost of sales	589,910	583,682
Gross income	182,595	188,390
Selling, general and administrative expenses	132,863	147,339
Operating profit	49,732	41,050
Non-operating profit		
Interest income	1,070	1,078
Dividend income	390	1,026
Foreign exchange profit	2,244	—
Proceeds from sale of investment securities	72	838
Other	2,119	1,720
Total non-operating profit	5,894	4,662
Non-operating expenses		
Interest expenses	1,747	2,623
Foreign exchange loss	—	3,554
Patent related expenses	928	1,045
Other	2,589	3,201
Total non-operating expenses	5,264	10,423
Ordinary profit	50,362	35,289
Extraordinary losses		
Impairment loss	483	825
Total extraordinary losses	483	825
Profit before income taxes	49,879	34,464
Income taxes	16,068	9,419
Profit	33,812	25,045
Profit (loss) attributable to no-controlling interests	(507)	747
Profit attributable to owners of parent	34,319	24,297



Quarterly Consolidated Statement of Comprehensive Income

Nine months ended September 30, 2024

(Units: millions of yen)

	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024
	Amount	Amount
Profit	33,812	25,045
Other comprehensive income		
Valuation difference on available-for-sale securities	2,031	884
Deferred gains or losses on hedges	(819)	583
Foreign currency translation adjustments	32,971	4,147
Adjustment to retirement benefits	(1,028)	(1,114)
Share of other comprehensive income of entities accounted for using equity method	2	6
Total other comprehensive income	33,158	4,506
Comprehensive income	66,970	29,551
(Breakdown)		
Quarterly comprehensive income attributable to owners of parent	66,878	28,545
Quarterly comprehensive income attributable to non-controlling interests	92	1,006



3. Quarterly Consolidated Cash Flows Statement

(Units: millions of yen)

	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024
Cash flows from operating activities		
Profit before income taxes	49,879	34,464
Depreciation	26,545	27,756
Impairment loss	483	825
Valuation profit on investment securities	(72)	(838)
Interest and dividend income	(1,459)	(2,103)
Interest expenses	1,747	2,623
Increase (decrease) in reserve amount	7,917	4,766
(Increase) decrease in notes and accounts receivable and contract assets	16,389	29,216
(Increase) decrease in inventories	(47,518)	(27,469)
Increase (decrease) in notes and accounts payable	(12,277)	(31,805)
Other	3,826	(8,111)
Subtotal	45,461	29,324
Interest and dividends received	1,120	2,387
Interest expenses	(1,572)	(2,607)
Payments for income taxes	(8,107)	(18,461)
Net cash provided by operating activities	36,901	10,642
Cash flows from investing activities		
Cash outflow due to the acquisition of tangible and intangible fixed assets	(31,220)	(39,944)
Cash flow from the sale of tangible and intangible fixed assets	971	38
Expenses associated with the acquisition of shares in affiliated companies	(468)	(162)
Purchase of investment securities	(113)	(15)
Proceeds from the sale of investment securities	176	1,106
(Increase) decrease in short-term loans	(28)	(155)
Payments of loans receivable	(1,317)	(6,928)
Cash flow from loan recoveries	785	4,312
Other	(1,134)	(624)
Net cash used in investing activities	(32,349)	(42,372)
Cash flows from financing activities		
Net increase (decrease) in short-term loans	20,365	21,584
Increase (decrease) in commercial papers	(11,000)	15,000
Proceeds from long-term debt	15,455	26,792
Repayments for long-term debt	(6,286)	(9,902)
Proceeds from the issuance of corporate bonds	10,000	20,000
Cash outflow due to redemption of corporate bonds payable	(10,000)	(10,000)
Cash dividends paid	(12,842)	(14,525)



	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024
Payment of dividends to non-controlling stockholders	(314)	(2,019)
Acquisition of treasury shares	(24)	(10,032)
Other	(2,315)	(2,443)
Net cash used in financing activities	3,039	34,455
Effect of exchange rate changes on cash and cash equivalents	4,391	756
Net increase (decrease) in cash and cash equivalents	11,983	3,481
Cash and cash equivalents at beginning of year	93,727	100,235
Cash and cash equivalents at end of year	105,710	103,716



4. Items of Special Note Concerning the Quarterly Consolidated Financial Statements

(Significant Events or Conditions that Question the Premise of a Going Concern)

There are no applicable items.

(Application of Accounting Procedures Specific to Preparation of Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

The effective tax rate expected to be imposed on pretax profit (after tax effect accounting) applicable to the consolidated fiscal year in which the third quarter of the current consolidated fiscal year is included was estimated based on reasonable assumptions, and tax expenses were calculated by multiplying the quarterly pretax profit by the estimated effective tax rate.

(Notes regarding Significant Fluctuations to Shareholders' Equity)

(Acquisition of Treasury Shares)

According to a resolution adopted at the Board of Directors meeting held on February 14, 2024, the Company acquired 2,300,800 shares of treasury stock. As a result, the value of treasury shares increased by JPY10,027 million during the cumulative third quarter of the current consolidated fiscal year, amounting to JPY11,204 million at the end of the current consolidated quarter. This increase also accounts for factors such as changes in value due to the acquisition of fractional shares.

In addition, the acquisition of treasury shares based on such resolution was completed on June 20, 2024 (contractual basis).

*Treasury stock as of the end of the current consolidated quarter includes shares of the Company held in the trust account related to the share delivery trust established for the stock compensation plan for directors and others.

(Notes on Segment Information, etc.)

(Segment Information)

1. Summary of Reporting Segments

The Group's reporting segments are based on those units within the Group where separate financial information is available and where the Group's Board of Directors periodically deliberates over such matters as the distribution of management resources and the financial performance of such segments.

The Group formulates a comprehensive international and domestic strategy for individual products and services for the head office and for each consolidated subsidiary, and executes such strategies at the operating level. Consequently, the Group comprises segments that are split by categories of products and services offered by the head office and consolidated subsidiaries. More specifically, the four reporting segments of the Group are "Mechatronics", "Industrial Machinery", "Logistics & Construction", and "Energy & Lifeline".

Businesses	Main Products
Mechatronics	Power transmission, control equipment, motors, inverters, laser processing systems, precision positioning equipment, control components
Industrial Machinery	Plastics machinery, film forming machines, cryogenic equipment, precision forgings, semiconductor production equipment, ion accelerators, medical machines and equipment, forging press machines, machining tools, air-conditioning equipment, defense equipment



Logistics & Construction	Hydraulic excavators, mobile cranes, road machinery, material handling systems, logistics systems, automated parking systems
Energy & Lifeline	Private power generation facilities, boilers, air pollution control equipment, water and sewage treatment systems, turbines, pumps, pressure vessels, mixing vessels, food processing machinery, ships

2. Information Regarding Net Sales, Profits, Assets, Liabilities, and Other Items by Reporting Segment

The third Quarter of the previous consolidated fiscal year (January 1, 2023 to September 30, 2023)

(Units: millions of yen)

Item \ Segment	A	B	C	D	Subtotal	Other ¹	Total	E ²	F ³
Net sales									
Sales to external customers	161,975	200,383	279,318	126,244	767,920	4,585	772,505	—	772,505
Internal sales between segments or exchanges	1,573	1,214	330	538	3,655	2,444	6,099	(6,099)	—
Total	163,548	201,597	279,648	126,782	771,575	7,029	778,604	(6,099)	772,505
Segment profit	9,492	17,542	18,122	3,125	48,281	1,469	49,750	(17)	49,732

Segments:

- A: Mechatronics
- B: Industrial Machinery
- C: Logistics & Construction
- D: Energy & Lifeline
- E: Adjustments
- F: Amounts recorded in Quarterly Consolidated Income Statements

Notes:

1. "Other" represents businesses that are not included in the reporting segments. This includes the Group's real-estate businesses, software-related business, and other businesses.
2. The segment profit adjustment of JPY (17) million is due to the deletion of intersegment transactions.
3. Segment profits have been adjusted as compared to the operating profit recorded in the Quarterly Consolidated Income Statement.



The third Quarter of the current consolidated fiscal year (January 1, 2024 to September 30, 2024)

(Units: millions of yen)

Item \ Segment	A	B	C	D	Subtotal	Other ¹	Total	E ²	F ³
Net sales									
Sales to external customers	150,070	200,809	285,782	130,813	767,473	4,598	772,072	—	772,072
Internal sales between segments or exchanges	1,285	1,025	281	744	3,335	2,596	5,931	(5,931)	—
Total	151,356	201,834	286,062	131,557	770,809	7,194	778,003	(5,931)	772,072
Segment profit or loss	2,127	14,145	21,417	2,046	39,735	1,436	41,170	(120)	41,050

Segments:

- A: Mechatronics
- B: Industrial Machinery
- C: Logistics & Construction
- D: Energy & Lifeline
- E: Adjustments
- F: Amounts recorded in Quarterly Consolidated Income Statements

Notes:

1. "Other" represents businesses that are not included in the reporting segments. This includes the Group's real-estate businesses, software-related business, and other businesses.
2. The segment profit adjustment of minus JPY(120) million is due to the deletion of intersegment transactions.
3. Segment profits have been adjusted as compared to the operating profit recorded in the Quarterly Consolidated Income Statement.

(Subsequent Events of Significant Importance)

There are no applicable items.



III. Supplemental Information

Orders Received, Sales, and Balance of Orders Received, by Segment

(1) Orders Received

(Units: millions of yen)

Segment	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024	Y/Y Change	
	Amount	Amount	Amount	%
Mechatronics	150,854	148,200	(2,654)	(1.8)
Industrial Machinery	197,810	187,174	(10,636)	(5.4)
Logistics & Construction	297,044	240,513	(56,531)	(19.0)
Energy & Lifeline	102,268	85,187	(17,081)	(16.7)
Others	4,561	4,732	171	3.8
Total	752,538	665,807	(86,731)	(11.5)

(2) Sales and operating profit/loss

(Units: millions of yen)

Segment	Previous Third Quarter January 1, 2023 to September 30, 2023	Present Third Quarter January 1, 2024 to September 30, 2024	Y/Y Change	
	Amount	Amount	Amount	%
Mechatronics	161,975	150,070	(11,905)	(7.3)
Industrial Machinery	200,383	200,809	425	0.2
Logistics & Construction	279,318	285,782	6,464	2.3
Energy & Lifeline	126,244	130,813	4,569	3.6
Others	4,585	4,598	14	0.3
Total	772,505	772,072	(433)	(0.1)

(3) Balance of Orders Received

(Units: millions of yen)

Segment	End of Previous Fiscal Year As of December 31, 2023	End of Present Third Quarter As of September 30, 2024	Y/Y Change	
	Amount	Amount	Amount	%
Mechatronics	91,182	89,312	(1,870)	(2.1)
Industrial Machinery	180,788	167,154	(13,634)	(7.5)
Logistics & Construction	255,438	210,169	(45,269)	(17.7)
Energy & Lifeline	227,864	182,238	(45,626)	(20.0)
Others	1,647	1,781	134	8.1
Total	756,918	650,653	(106,265)	(14.0)