

# Financial Report for the Third Quarter of the Fiscal Year ending March 31, 2017 (Consolidated)

February 10, 2017

The following statements are an English translation of the original Japanese document.

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

Name of company... Taikisha Ltd.  
 Stock Exchange..... First Section of Tokyo Stock Exchange  
 Code..... 1979  
 Representative..... Satoru Kamiyama, President and Representative Director  
 Contact..... Koji Kato, Director and Executive Corporate Officer, Administrative Management Headquarters  
 Chief Executive  
 TEL..... (03)5338 - 5052  
 URL..... <http://www.taikisha.co.jp/>  
 Scheduled date to submit Quarterly report : February 13, 2017  
 Scheduled date to commence dividend payments : -  
 Supplemental materials prepared for financial results : None  
 Briefing session of financial results : None

(Round down to one million yen)

## 1. Consolidated Operating Performance (April 1, 2016 through December 31, 2016)

### (1) Consolidated operating results (Cumulative)

(% indicates increase ratio over previous year)

|                   | Sales       |       | Operating income |        | Ordinary income |        | Profit attributable to owners of parent |       |
|-------------------|-------------|-------|------------------|--------|-----------------|--------|---|-------|
|                   | million yen | %     | million yen      | %      | million yen     | %      | million yen                             | %     |
| Nine months ended |             |       |                  |        |                 |        |   |       |
| December 31, 2016 | 132,109     | (9.1) | 5,067            | (42.2) | 6,055           | (24.4) | 4,301                                   | (0.8) |
| December 31, 2015 | 145,370     | 13.7  | 8,759            | 86.6   | 8,010           | 48.3   | 4,337                                   | 17.5  |

(Note) Comprehensive income  
 Nine months ended December 31, 2016 : 2,166 million yen : 15.8 %  
 Nine months ended December 31, 2015 : 1,870 million yen : (70.2) %

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
|                   | yen                      | yen                        |
| Nine months ended |                          |                            |
| December 31, 2016 | 124.73                   | —                          |
| December 31, 2015 | 125.01                   | —                          |

### (2) Consolidated financial position

|                   | Total assets | Net assets  | Equity capital ratio |
|-------------------|--------------|-------------|----------------------|
|                   | million yen  | million yen | %                    |
| As of             |              |             |                      |
| December 31, 2016 | 181,714      | 94,298      | 49.8                 |
| March 31, 2016    | 189,566      | 95,921      | 48.0                 |

(Note) Shareholders' Equity  
 As of December 31, 2016 : 90,530 million yen  
 As of March 31, 2016 : 91,024 million yen

## 2. Dividends

|                                       | Dividend per share |       |     |          |                  |
|---------------------------------------|--------------------|-------|-----|----------|------------------|
|                                       | 1Q                 | 2Q    | 3Q  | Year End | Total (annually) |
| Year ended                            | yen                | yen   | yen | yen      | yen              |
| March 31, 2016                        | —                  | 25.00 | —   | 42.00    | 67.00            |
| March 31, 2017                        | —                  | 25.00 | —   |          |                  |
| Year ending March 31, 2017 (Forecast) |                    |       |     | 45.00    | 70.00            |

(Note) Revisions to forecast of dividends : None

## 3. Consolidated Earnings Forecast for Fiscal Year Ending March 31, 2017 (April 1, 2016 through March 31, 2017)

(% indicates increase ratio over previous year)

|           | Sales       |       | Operating income |        | Ordinary income |       | Profit attributable to owners of parent |       | Basic earnings per share |  |
|-----------|-------------|-------|------------------|--------|-----------------|-------|---|-------|--------------------------|--|
|           | million yen | %     | million yen      | %      | million yen     | %     | million yen                             | %     | yen                      |  |
| Full year | 194,000     | (8.7) | 11,100           | (12.8) | 11,800          | (4.4) | 6,900                                   | (2.6) | 199.03                   |  |

(Note) Revisions to forecast of earnings : None

#### 4. Others

- (1) Changes in significant subsidiaries during the period  
(Changes in specified subsidiaries accompanying changes in scope of consolidation) : None
- (2) Adoption of particular accounting treatments for quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates and restatements
- (i) Changes in accounting policies due to revisions of accounting standards etc. : Yes
  - (ii) Changes in accounting policies other than (i) : None
  - (iii) Changes in accounting estimates : None
  - (iv) Restatements : None
- (4) Number of shares issued (common shares)
- (i) Number of shares issued at end of period (including treasury shares)
    - As of December 31, 2016 36,782,009 shares
    - As of March 31, 2016 36,782,009 shares
  - (ii) Number of treasury shares at end of period
    - As of December 31, 2016 2,575,702 shares
    - As of March 31, 2016 2,219,061 shares
  - (iii) Average number of shares during the period
    - Nine months ended December 31, 2016 34,491,555 shares
    - Nine months ended December 31, 2015 34,699,305 shares

- ※ Notice of status of implementation for quarterly review procedures  
This financial report is not subject to quarterly review procedures based upon the Financial Instruments and Exchange Act.  
Quarterly review procedures for the consolidated financial statements in accordance with the Financial Instruments and Exchange Act have not been completed as at the time of disclosure of this financial report.
- ※ Explanation about the proper use of consolidated forecasts and other notes  
Data and forward-looking statements disclosed herein are based on current information as of today, and may change depending upon various factors. The data and assumptions do not mean guaranteeing accomplishment of goals and projections, and may be changed at any time without notice. Consequently, the Company ask you to use this information at your discretion based upon your own judgment and information you may obtain through other sources. The company will not be liable for any damages that result from the use of this information.

# 1 Consolidated Financial Statements

## (1) Consolidated Balance Sheets

|   | Millions of yen      |                            |
|---|----------------------|----------------------------|
|   | As of March 31, 2016 | As of December 31,<br>2016 |
| <b>Assets</b>   |                      |                            |
| Current assets  |                      |                            |
| Cash and deposits   | 44,001               | 41,193                     |
| Notes receivable, accounts receivable from completed construction contracts and other | 92,718               | 78,887                     |
| Securities  | 13                   | —                          |
| Costs on uncompleted construction contracts   | 1,907                | 3,726                      |
| Raw materials and supplies  | 283                  | 320                        |
| Other   | 10,199               | 15,412                     |
| Allowance for doubtful accounts   | (433)                | (555)                      |
| Total current assets  | 148,690              | 138,985                    |
| Non-current assets  |                      |                            |
| Property, plant and equipment   | 7,750                | 7,299                      |
| Intangible assets   |                      |                            |
| Goodwill  | 3,024                | 2,463                      |
| Other   | 1,512                | 1,945                      |
| Total intangible assets   | 4,536                | 4,408                      |
| Investments and other assets  |                      |                            |
| Investment securities   | 22,469               | 24,739                     |
| Net defined benefit asset   | 3,203                | 3,879                      |
| Other   | 2,948                | 2,412                      |
| Allowance for doubtful accounts   | (32)                 | (11)                       |
| Total investments and other assets  | 28,589               | 31,021                     |
| Total non-current assets  | 40,876               | 42,729                     |
| Total assets  | 189,566              | 181,714                    |
| <b>Liabilities</b>  |                      |                            |
| Current liabilities   |                      |                            |
| Notes payable, accounts payable for construction contracts and other                  | 49,214               | 38,551                     |
| Short-term loans payable  | 5,261                | 6,625                      |
| Income taxes payable  | 2,045                | 327                        |
| Advances received on uncompleted construction contracts                               | 15,905               | 18,883                     |
| Provision for bonuses   | —                    | 1,193                      |
| Provision for warranties for completed construction                                   | 1,346                | 948                        |
| Provision for loss on construction contracts  | 190                  | 467                        |
| Provision for directors' bonuses  | 129                  | 61                         |
| Reserve for loss on dissolution of employees' pension fund                            | 247                  | —                          |
| Other   | 9,154                | 10,744                     |
| Total current liabilities   | 83,493               | 77,802                     |
| Non-current liabilities   |                      |                            |
| Long-term loans payable   | 1,383                | 1,046                      |
| Provision for directors' retirement benefits  | 106                  | 46                         |
| Net defined benefit liability   | 1,646                | 1,517                      |
| Other   | 7,015                | 7,002                      |
| Total non-current liabilities   | 10,152               | 9,612                      |
| Total liabilities   | 93,645               | 87,415                     |

|   | Millions of yen      |                            |
|---|----------------------|----------------------------|
|   | As of March 31, 2016 | As of December 31,<br>2016 |
| Net assets  |                      |                            |
| Shareholders' equity                                  |                      |                            |
| Capital stock   | 6,455                | 6,455                      |
| Capital surplus                                       | 7,344                | 7,343                      |
| Retained earnings                                     | 73,943               | 75,941                     |
| Treasury shares                                       | (5,127)              | (6,128)                    |
| Total shareholders' equity                            | 82,615               | 83,613                     |
| Accumulated other comprehensive income                |                      |                            |
| Valuation difference on available-for-sale securities | 7,908                | 9,819                      |
| Deferred gains or losses on hedges                    | 7                    | 63                         |
| Foreign currency translation adjustment               | 1,528                | (2,193)                    |
| Accumulated remeasurements of defined benefit plans   | (1,036)              | (771)                      |
| Total accumulated other comprehensive income          | 8,409                | 6,917                      |
| Non-controlling interests                             | 4,896                | 3,768                      |
| Total net assets                                      | 95,921               | 94,298                     |
| Total liabilities and net assets                      | 189,566              | 181,714                    |

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

|   | Millions of yen  |  |
|---|--|--|
|   | Nine months ended<br>December 31, 2015<br>Apr. 1, 2015 - Dec. 31, 2015 | Nine months ended<br>December 31, 2016<br>Apr. 1, 2016 - Dec. 31, 2016 |
| Net sales of completed construction contracts                           | 145,370  | 132,109  |
| Cost of sales of completed construction contracts                       | 122,507  | 112,888  |
| Gross profit on completed construction contracts                        | 22,863   | 19,221   |
| Selling, general and administrative expenses                            | 14,103   | 14,154   |
| Operating income  | 8,759  | 5,067  |
| Non-operating income  |  |  |
| Interest income   | 349  | 403  |
| Dividend income   | 341  | 388  |
| Dividend income of insurance  | 138  | 133  |
| Real estate rent  | 78   | 77   |
| Foreign exchange gains  | —  | 172  |
| Reversal of allowance for doubtful accounts                             | —  | 1  |
| Other   | 137  | 118  |
| Total non-operating income  | 1,045  | 1,294  |
| Non-operating expenses  |  |  |
| Interest expenses   | 138  | 129  |
| Rent expenses on real estates   | 15   | 15   |
| Foreign exchange losses   | 1,476  | —  |
| Provision of allowance for doubtful accounts                            | 1  | —  |
| Share of loss of entities accounted for using equity method             | 57   | 59   |
| Other   | 105  | 101  |
| Total non-operating expenses  | 1,794  | 305  |
| Ordinary income   | 8,010  | 6,055  |
| Extraordinary income  |  |  |
| Gain on disposal of non-current assets                                  | 8  | 20   |
| Gain on sales of investment securities                                  | 24   | 25   |
| Gain on liquidation of subsidiaries and associates                      | 27   | —  |
| Reversal of provision for loss on Anti-Monopoly Act                     | 87   | —  |
| Reversal of reserve for loss on dissolution of employees' pension fund  | —  | 9  |
| Other   | —  | 2  |
| Total extraordinary income  | 147  | 57   |
| Extraordinary loss  |  |  |
| Loss on disposal of non-current assets                                  | 3  | 13   |
| Impairment loss   | 0  | 0  |
| Loss on sales of investment securities                                  | 0  | 141  |
| Loss on valuation of investment securities                              | 0  | 0  |
| Provision of reserve for loss on dissolution of employees' pension fund | 38   | —  |
| Other   | —  | 16   |
| Total extraordinary losses  | 43   | 171  |
| Income before income taxes and non-controlling interests                | 8,114  | 5,941  |
| Income taxes-current  | 2,213  | 1,109  |
| Income taxes-deferred   | 779  | 746  |
| Total income taxes  | 2,992  | 1,856  |
| Profit  | 5,121  | 4,085  |
| Profit (loss) attributable to non-controlling interests                 | 784  | (216)  |
| Profit attributable to owners of parent                                 | 4,337  | 4,301  |

## Consolidated Statements of Comprehensive Income

|   | Millions of yen                        |  |
|---|--|--|
|   | Nine months ended<br>December 31, 2015 | Nine months ended<br>December 31, 2016 |
|   | Apr. 1, 2015 - Dec. 31, 2015           | Apr. 1, 2016 - Dec. 31, 2016           |
| Profit  | 5,121                                  | 4,085                                  |
| Other comprehensive income  |  |  |
| Valuation difference on available-for-sale securities                             | (679)                                  | 1,910                                  |
| Deferred gains or losses on hedges  | 19                                     | 55                                     |
| Foreign currency translation adjustment   | (2,483)                                | (4,035)                                |
| Remeasurements of defined benefit plans   | (94)                                   | 270                                    |
| Share of other comprehensive income of entities accounted for using equity method | (13)                                   | (120)                                  |
| Total other comprehensive income  | (3,251)                                | (1,919)                                |
| Comprehensive income  | 1,870                                  | 2,166                                  |
| Comprehensive income attributable to  |  |  |
| Comprehensive income attributable to owners of parent                             | 1,459                                  | 2,810                                  |
| Comprehensive income attributable to non-controlling interests                    | 410                                    | (643)                                  |

(Segment information)

Sales and profits or losses by reportable segments

Nine months ended December 31, 2015 (April 1, 2015 through December 31, 2015)

Millions of yen

|                    | Reportable segments                 |                                    |         | Eliminations/<br>Corporate | Consolidated |
|--------------------|-------------------------------------|------------------------------------|---------|----------------------------|--------------|
|                    | Green Technology<br>System Division | Paint Finishing<br>System Division | Total   |                            |              |
| Sales              |                                     |                                    |         |                            |              |
| Sales to customers | 95,035                              | 50,334                             | 145,370 | —                          | 145,370      |
| Intersegment       | 2                                   | 0                                  | 2       | (2)                        | —            |
| Total              | 95,038                              | 50,335                             | 145,373 | (2)                        | 145,370      |
| Segment profit     | 6,050                               | 1,853                              | 7,903   | 107                        | 8,010        |

(Note) 1. The amounts of Eliminations/ Corporate are as follows:

Eliminations/ Corporate of Segment profit of 107 million yen includes non-allocatable common profits (net amount of common profit and loss) of 103 million yen and other adjustments of 3 million yen.

Non-allocatable common profits are mainly dividend income etc. those are not attributed to any reportable segments.

2. Segment profit is adjusted in the ordinary income of the consolidated income statement.

Nine months ended December 31, 2016 (April 1, 2016 through December 31, 2016)

Millions of yen

|                       | Reportable segments                 |                                    |         | Eliminations/<br>Corporate | Consolidated |
|-----------------------|-------------------------------------|------------------------------------|---------|----------------------------|--------------|
|                       | Green Technology<br>System Division | Paint Finishing<br>System Division | Total   |                            |              |
| Sales                 |                                     |                                    |         |                            |              |
| Sales to customers    | 85,053                              | 47,056                             | 132,109 | —                          | 132,109      |
| Intersegment          | 3                                   | 20                                 | 23      | (23)                       | —            |
| Total                 | 85,057                              | 47,076                             | 132,133 | (23)                       | 132,109      |
| Segment profit (loss) | 5,951                               | (131)                              | 5,819   | 236                        | 6,055        |

(Note) 1. The amounts of Eliminations/ Corporate are as follows:

Eliminations/ Corporate of Segment profit (loss) of 236 million yen includes non-allocatable common profits (net amount of common profit and loss) of 236 million yen and other adjustments of 0 million yen.

Non-allocatable common profits are mainly general and administrative expenses and dividend income etc. those are not attributed to any reportable segments.

2. Segment profit (loss) is adjusted in the ordinary income of the consolidated income statement.

(Change in reportable segments etc.)

In line with a revision of tax regulations, Taikisha Ltd. and its domestic subsidiaries ("the Companies") have applied the "Practical Solution on a Change in Depreciation Method due to Tax Reform 2016" (Practical Issues Task Force No 32, June 17, 2016) from the first quarter of fiscal year ending March 31, 2017 and changed the depreciation method for facilities attached to buildings and structures acquired on or after April 1, 2016 from the declining balance method to the straight-line method.

Therefore, the Companies have changed the depreciation method of business segments in the same way.

The effect of this change on segment profit (loss) for the third quarter of fiscal year ending March 31, 2017 is immaterial.

## (Supplementary information)

## 1. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division (consolidated)

Millions of yen

|   | Nine months ended<br>December 31, 2015<br>(Apr. 1, 2015 - Dec. 31, 2015) |          | Nine months ended<br>December 31, 2016<br>(Apr. 1, 2016 - Dec. 31, 2016) |          | Increase (decrease) |            |
|---|--|----------|--|----------|---------------------|------------|
|   | Amounts  | %        | Amounts  | %        | Amounts             | %          |
| Orders-received                               |  |          |  |          |                     |            |
| Green Technology System Division              |  |          |  |          |                     |            |
| HVAC for buildings                            | 34,803   | 21.6     | 37,433   | 22.3     | 2,630               | 7.6        |
| Industrial HVAC                               | 74,990   | 46.4     | 61,252   | 36.6     | (13,738)            | (18.3)     |
| Total   | 109,793  | 68.0     | 98,685   | 58.9     | (11,108)            | (10.1)     |
| [Overseas]                                    | [ 34,898 ]   | [ 21.6 ] | [ 24,385 ]   | [ 14.6 ] | [ (10,513) ]        | [ (30.1) ] |
| Paint Finishing System Division               | 51,676   | 32.0     | 68,932   | 41.1     | 17,256              | 33.4       |
| [Overseas]                                    | [ 45,369 ]   | [ 28.1 ] | [ 57,010 ]   | [ 34.0 ] | [ 11,641 ]          | [ 25.7 ]   |
| Total   | 161,469  | 100.0    | 167,618  | 100.0    | 6,149               | 3.8        |
| [Overseas]                                    | [ 80,268 ]   | [ 49.7 ] | [ 81,395 ]   | [ 48.6 ] | [ 1,127 ]           | [ 1.4 ]    |
| Net sales of completed construction contracts |  |          |  |          |                     |            |
| Green Technology System Division              |  |          |  |          |                     |            |
| HVAC for buildings                            | 29,726   | 20.5     | 28,742   | 21.8     | (984)               | (3.3)      |
| Industrial HVAC                               | 65,309   | 44.9     | 56,310   | 42.6     | (8,999)             | (13.8)     |
| Total   | 95,035   | 65.4     | 85,053   | 64.4     | (9,982)             | (10.5)     |
| [Overseas]                                    | [ 37,290 ]   | [ 25.7 ] | [ 24,858 ]   | [ 18.8 ] | [ (12,432) ]        | [ (33.3) ] |
| Paint Finishing System Division               | 50,334   | 34.6     | 47,056   | 35.6     | (3,278)             | (6.5)      |
| [Overseas]                                    | [ 43,535 ]   | [ 29.9 ] | [ 39,304 ]   | [ 29.8 ] | [ (4,231) ]         | [ (9.7) ]  |
| Total   | 145,370  | 100.0    | 132,109  | 100.0    | (13,261)            | (9.1)      |
| [Overseas]                                    | [ 80,826 ]   | [ 55.6 ] | [ 64,162 ]   | [ 48.6 ] | [ (16,664) ]        | [ (20.6) ] |
| Construction carried forward                  |  |          |  |          |                     |            |
| Green Technology System Division              |  |          |  |          |                     |            |
| HVAC for buildings                            | 54,558   | 32.2     | 58,280   | 31.1     | 3,722               | 6.8        |
| Industrial HVAC                               | 53,887   | 31.8     | 44,058   | 23.5     | (9,829)             | (18.2)     |
| Total   | 108,445  | 64.0     | 102,339  | 54.6     | (6,106)             | (5.6)      |
| [Overseas]                                    | [ 29,260 ]   | [ 17.2 ] | [ 19,610 ]   | [ 10.5 ] | [ (9,650) ]         | [ (33.0) ] |
| Paint Finishing System Division               | 61,005   | 36.0     | 85,111   | 45.4     | 24,106              | 39.5       |
| [Overseas]                                    | [ 54,516 ]   | [ 32.2 ] | [ 73,755 ]   | [ 39.3 ] | [ 19,239 ]          | [ 35.3 ]   |
| Total   | 169,451  | 100.0    | 187,451  | 100.0    | 18,000              | 10.6       |
| [Overseas]                                    | [ 83,777 ]   | [ 49.4 ] | [ 93,365 ]   | [ 49.8 ] | [ 9,588 ]           | [ 11.4 ]   |

(Note) 1. The amounts of orders received, net sales of completed construction contracts, and construction carried forward are the transacted amount with external customers.

2. In the previous consolidated cumulative third quarter, there is 2 million yen difference between net sales of completed construction contracts of 95,035million yen and total sales of 95,038million yen in the segment information by the Green Technology System Division.

There is 0 million yen difference between net sales of completed construction contracts of 50,334million yen and total sales of 50,335million yen in the segment information by the Paint Finishing System Division.

Above differences are due to intersegment sales.

3. In the consolidated cumulative third quarter, there is 3 million yen difference between net sales of completed construction contracts of 85,053 million yen and total sales of 85,057 million yen in the segment information by the Green Technology System Division.

There is 20 million yen difference between net sales of completed construction contracts of 47,056 million yen and total sales of 47,076 million yen in the segment information by the Paint Finishing System Division.

Above differences are due to intersegment sales.



2. Statement for orders-received, net sales of completed construction contracts, and construction carried forward by each division (Non-consolidated)

Millions of yen

|   | Nine months ended<br>December 31, 2015<br>(Apr. 1, 2015 - Dec. 31, 2015) |          | Nine months ended<br>December 31, 2016<br>(Apr. 1, 2016 - Dec. 31, 2016) |         | Increase (decrease) |            |
|---|--|----------|--|---------|---------------------|------------|
|   | Amounts  | %        | Amounts  | %       | Amounts             | %          |
| Orders-received                               |  |          |  |         |                     |            |
| Green Technology System Division              |  |          |  |         |                     |            |
| HVAC for buildings                            | 33,051   | 36.1     | 35,339   | 40.4    | 2,288               | 6.9        |
| Industrial HVAC                               | 40,321   | 44.0     | 37,267   | 42.7    | (3,054)             | (7.6)      |
| Total   | 73,372   | 80.1     | 72,607   | 83.1    | (765)               | (1.0)      |
| [Overseas]                                    | [ 391 ]  | [ 0.4 ]  | [ 460 ]  | [ 0.5 ] | [ 69 ]              | [ 17.6 ]   |
| Paint Finishing System Division               | 18,192   | 19.9     | 14,747   | 16.9    | (3,445)             | (18.9)     |
| [Overseas]                                    | [ 13,410 ]   | [ 14.7 ] | [ 4,068 ]  | [ 4.7 ] | [ (9,342) ]         | [ (69.7) ] |
| Total   | 91,565   | 100.0    | 87,354   | 100.0   | (4,211)             | (4.6)      |
| [Overseas]                                    | [ 13,802 ]   | [ 15.1 ] | [ 4,529 ]  | [ 5.2 ] | [ (9,273) ]         | [ (67.2) ] |
| Net sales of completed construction contracts |  |          |  |         |                     |            |
| Green Technology System Division              |  |          |  |         |                     |            |
| HVAC for buildings                            | 28,127   | 39.7     | 27,129   | 38.6    | (998)               | (3.5)      |
| Industrial HVAC                               | 28,274   | 40.0     | 31,596   | 45.0    | 3,322               | 11.7       |
| Total   | 56,402   | 79.7     | 58,726   | 83.6    | 2,324               | 4.1        |
| [Overseas]                                    | [ 353 ]  | [ 0.5 ]  | [ 230 ]  | [ 0.3 ] | [ (123) ]           | [ (34.8) ] |
| Paint Finishing System Division               | 14,354   | 20.3     | 11,496   | 16.4    | (2,858)             | (19.9)     |
| [Overseas]                                    | [ 8,925 ]  | [ 12.6 ] | [ 5,094 ]  | [ 7.3 ] | [ (3,831) ]         | [ (42.9) ] |
| Total   | 70,757   | 100.0    | 70,222   | 100.0   | (535)               | (0.8)      |
| [Overseas]                                    | [ 9,279 ]  | [ 13.1 ] | [ 5,324 ]  | [ 7.6 ] | [ (3,955) ]         | [ (42.6) ] |
| Construction carried forward                  |  |          |  |         |                     |            |
| Green Technology System Division              |  |          |  |         |                     |            |
| HVAC for buildings                            | 54,076   | 56.5     | 57,553   | 59.6    | 3,477               | 6.4        |
| Industrial HVAC                               | 24,618   | 25.7     | 24,690   | 25.5    | 72                  | 0.3        |
| Total   | 78,695   | 82.2     | 82,244   | 85.1    | 3,549               | 4.5        |
| [Overseas]                                    | [ 59 ]   | [ 0.1 ]  | [ 253 ]  | [ 0.2 ] | [ 194 ]             | [ 328.8 ]  |
| Paint Finishing System Division               | 17,091   | 17.8     | 14,389   | 14.9    | (2,702)             | (15.8)     |
| [Overseas]                                    | [ 11,115 ]   | [ 11.6 ] | [ 3,454 ]  | [ 3.6 ] | [ (7,661) ]         | [ (68.9) ] |
| Total   | 95,786   | 100.0    | 96,633   | 100.0   | 847                 | 0.9        |
| [Overseas]                                    | [ 11,174 ]   | [ 11.7 ] | [ 3,707 ]  | [ 3.8 ] | [ (7,467) ]         | [ (66.8) ] |

### 3. Sales by regions

Nine months ended December 31, 2015 (April 1, 2015 through December 31, 2015)

Millions of yen

| Japan  | North America | South East Asia |                       | East Asia |                 | India | Other  | Total   |
|--------|---------------|-----------------|-----------------------|-----------|-----------------|-------|--------|---------|
|        |               | Thailand        | Other South East Asia | China     | Other East Asia |       |        |         |
| 64,544 | 6,898         | 26,909          | 15,028                | 12,633    | 843             | 5,462 | 13,051 | 145,370 |

Nine months ended December 31, 2016 (April 1, 2016 through December 31, 2016)

Millions of yen

| Japan  | North America | South East Asia |                       | East Asia |                 | India | Other | Total   |
|--------|---------------|-----------------|-----------------------|-----------|-----------------|-------|-------|---------|
|        |               | Thailand        | Other South East Asia | China     | Other East Asia |       |       |         |
| 67,947 | 16,372        | 14,111          | 12,497                | 10,714    | 663             | 5,246 | 4,556 | 132,109 |