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TAN CHONG INTERNATIONAL LIMITED

陳唱國際有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 693)

OVERSEAS REGULATORY ANNOUNCEMENT

(This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.)

The announcement of unaudited financial results of Zero Co., Ltd. for the nine-month period ended 31 March 2021 is originally prepared in Japanese (“Original Announcement”). The attached announcement on the next page is a translation of the Original Announcement solely for the purpose of providing information.

By the order of the Board
Tan Chong International Limited
Teo Siok Ghee
Liew Daphnie Pingyen
Joint Company Secretaries

Hong Kong, 13 May 2021

Website: <http://www.tanchong.com>

As at the date of this announcement, the executive Directors are Mr. Tan Eng Soon, Mr. Glenn Tan Chun Hong, Mr. Tan Kheng Leong and Mdm. Sng Chiew Huat and. The non-executive Director is Mr. Joseph Ong Yong Loke. The independent non-executive Directors are Mr. Ng Kim Tuck, Mr. Azman Bin Badrillah, Mr. Prechaya Ebrahim and Mr. Teo Ek Kee.

Summary of Consolidated Financial Results for the Third Quarter Ending of the Fiscal Year June 30, 2021 [Based on IFRS]

May 13, 2021

Company name: ZERO CO., LTD.
 Stock code: 9028 URL: <http://www.zero-group.co.jp/>
 Representative: President & CEO
 Inquiries: Director and Manager of Group Strategies Headquarters
 Scheduled Date of Submission of Quarterly Report: May 14, 2021
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

Stock Exchange Listing: Tokyo
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(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the third quarter ending of the fiscal year June 30, 2021 (From July 1, 2020 to March 31, 2021)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Quarterly income		Profit attributable to equity shareholders of the company		Total comprehensive income of the quarter	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q FY2020	68,947	Δ4.0	4,207	22.3	4,220	22.2	2,897	26.8	2,905	27.7	3,389	63.3
3Q FY2019	71,809	7.3	3,439	58.1	3,453	59.4	2,285	156.6	2,274	156.0	2,075	186.4

	Basic quarterly earnings per share		Diluted quarterly earnings per share	
	Yen		Yen	
3Q FY2020	173.53		173.05	
3Q FY2019	136.32		135.94	

(2) Consolidated financial position

	Total assets	Total capital	Equity attributable to equity shareholders of the company	Equity ratio attributable to equity shareholders of the company
	Millions of yen	Millions of yen	Millions of yen	%
3Q FY2020	46,290	27,738	27,716	59.9
FY2019	44,514	24,894	24,864	55.9

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
FY2019	---	15.00	---	20.60	35.60
FY2020	---	15.00	---		
FY2020 (forecast)				41.70	56.70

(Note) Amendment from the most recently announced dividend forecast: Yes

3. Forecast of consolidated financial results for the year ending June 30, 2021 (From July 1, 2020 to June 30, 2021)

(Percentages indicate year-on-year changes)

	Sales revenue		Operating income		Profit before tax		Profit attributable to equity shareholders of the company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	92,000	2.8	5,500	49.6	5,500	49.5	3,800	60.0	226.94

(Note) Revisions from the most recently released business forecast: Yes

※(Note)

(1) Changes in significant subsidiary companies during the current quarter (Changes in the specific subsidiary companies following changes in the scope of consolidation): No

New — Co. (Company name),

Exclusions — Co. (Company name)

(2) Changes in accounting policies, changes in accounting estimates

① Changes in the accounting policies required by IFRS : No

② Changes in the accounting policies due to other reasons : No

③ Changes in the accounting estimates : No

(3) Number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares)

3Q FY2020	17,560,242 shares	FY2019	17,560,242 shares
3Q FY2020	1,018,911 shares	FY2019	1,018,869 shares
3Q FY2020	16,744,851 shares	3Q FY2019	16,685,873 shares

② Number of treasury shares at the end of the period

③ Average number of shares during the period (total up to this quarter)

※Earnings summary is not within the scope of the quarterly review by a certified public accountant or auditor

※Explanation of the proper use of financial results forecast and other notes

The earnings forecast, and other forward-looking statements herein are based on the information currently available to the Company and certain assumptions that the Company considers reasonable. The actual results may differ significantly from these forecasts due to a wide range of factors such as economic status of the major domestic and international markets or exchange rates fluctuation.

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1. Qualitative information on the quarterly financial results

(1) Explanation regarding the operating results

Japan's economy during the consolidated cumulative period of the third quarter was in a severe state due to the impact of the COVID-19 pandemic, particularly in terms of service consumption. However, economic activity has gradually resumed and is on a recovery track.

In the domestic automotive market, the total number of new vehicles sales has slightly increased to 100.2% (statistical data of the Japan Automobile Manufacturers Association) as compared to the consolidated cumulative period of the same quarter from the previous year (hereinafter referred to as the same quarter from the previous year). In the first quarter consolidated accounting period, demand decreased to 85.4% as a result of the slump in demand due to the effects of the last minute demand prior to the consumption tax increase in the previous year and the impact of COVID-19 Pandemic. However, in the second quarter and third quarter consolidated accounting period, demand increased compared to the same period from the previous year as a result of the reversal in the previous year's consumption tax increase which had gathered a lot of reaction this year. The number of registered used cars is estimated to have increased at 101.8% compared to the same period from the previous year, with partial shift in transportation from public transportation to private vehicles due to the COVID-19 Pandemic.

Sales decreased mainly due to a drop in the number of new car transportation and pre-delivery maintenance and inspection caused by the slump in new car sales in the automotive business, while operating profit increased in the human resources business and general cargo business.

As a result, the business results of our group are as follows: sales of 68,947 million yen (96.0% compared to the same quarter from the previous year) and operating profit of 4,207 million yen (122.3% compared to the same quarter from the previous year). Also, the profit before taxes was 4,220 million yen (122.2% compared to the same quarter from the previous year), and the profit of the quarter attributable to the equity shareholders of the company was 2,905 million yen (127.7% compared to the same quarter from the previous year).

Number of units related to domestic distribution of automobiles

Units: vehicles

Domestic		July of 2019 to March of 2020	July of 2020 to March of 2021	Compared to the previous year
Number of new vehicles sold				
Domestic manufacturer	*1	3,593,651	3,610,002	100.5%
(out of this, Nissan Motor)	*1	(408,032)	(394,013)	(96.6%)
Foreign manufacturer	*2	219,871	210,580	95.8%
Total of new vehicle sales		3,813,522	3,820,582	100.2%
Number of used vehicle registrations				
Registered vehicles	*3	2,881,172	2,991,563	103.8%
Light vehicles	*4	2,375,139	2,357,734	99.3%
Total number of used vehicles registered		5,256,311	5,349,297	101.8%
Number of vehicles permanently deleted	*3	194,049	175,906	90.7%

Export		July of 2019 to March of 2020	July of 2020 to March of 2021	Compared to the previous year
New vehicles of domestic manufacturers	*1	3,521,008	3,157,101	89.7%
Used vehicles (registered vehicles)	*5	1,123,567	867,804	77.2%

*1 Calculated from Japan Automobile Industry Association Statistics *2 Calculated from Japan Automobile Importers' Association statistics
 *3 Calculated from Japan Automobile Dealers Association statistics
 *4 Calculated from Japan Mini Vehicles Association statistics *5 Trial calculated from the number of export deleted registered vehicles in the Japan Automobile Dealers Association statistics

The segment business results are as follows.

① Automobile related businesses

In the vehicle transportation business, which is the core business, sales decreased due to a decrease in the number of new vehicles sales, which resulted in a decrease in the number of commissions for vehicle transportation and pre-delivery maintenance and inspection although used vehicle transportation increased along with the number of registered used vehicle increased compared to the same quarter from the previous year. There was a decrease in sales in the used vehicle export business due to the strong demand in Malaysia in the previous year, resulting in an overall decrease in sales in the automotive related businesses.

In the vehicle transportation business there are management issues such as the creation of a company that is worth working for and the promotion of work style reforms aimed at reducing total working hours, increases in labour costs and hiring costs to cope with potential driver shortages, and increases in vehicle costs due to the increase in the number of vehicles and aging of transportation equipment, working to achieve systematic vehicle allocation and optimize the operation of nationwide distribution network, while at the same time thoroughly implementing cost management. The unit cost of fuel was lower than the same period of the previous year, but the impact of the decrease in sales in the vehicle transportation and pre-delivery maintenance was significant, resulting in a decrease in sales in the automotive related businesses.

As a result, the overall sales in the automobile related businesses was 50,973 million yen (97.2% compared to the same quarter from the previous year), and the segment profit was 4,463 million yen (98.6% compared to the same quarter from the previous year).

② Human resource businesses

Regarding the pick-up service business, sales increased due to a recovery from the impact of the COVID-19 pandemic, but the overall sales was reduced because the driver dispatch business and the airport-related personnel business were affected by the termination of employment contract due to the COVID-19 pandemic. Operating profits increased as a result of efforts to reduce SG & A expenses and the provision of employment adjustment subsidies.

As a result, the sales of the overall human resource business was 13,445 million yen (92.8% compared to the same quarter from the previous year), and the segment profit was 724 million yen (106.0% compared to the same quarter from the previous year).

③ General cargo business

Sales in the transport /warehousing business decreased due to withdrawal from unprofitable businesses, and sales in the port cargo handling business increased due to the consigned cargo handling of materials for bio-mass power generation facilities decreased coal cargo and automobile cargo handling. Furthermore, the CKD business was also reduced due to the temporary suspension of shipments to customer's plants in Thailand, and there was decrease overall in sales in the general cargo business.

In the transportation /warehousing business, profit increased due to the price revision for some existing customers and the acquisition of new customers, but the port cargo handling business declined due to product mix. In the CKD business, in addition to reducing fixed costs, expenses were compensated and the overall general cargo business posted an increase in profits.

As a result of the above, the sales of the overall general cargo business was 4,527 million yen (92.7% compared to the same quarter of the previous year), and segment profit was 494 million yen (segment loss of 277 million yen in the same quarter of the previous year).

Furthermore, the company expenses (expenses affiliated with the company's management division) not included in the above report segments, are recorded as "Adjustment Amounts" as indicated in "[Segment Information] in [4. Accounting Statements]", and amounted to 1,474 million yen.

(2) Explanation regarding financial position

① Status of assets, liabilities, and equity

(Assets)

Current assets increased by 1,836 million yen (10.1%) compared to the end of the previous consolidated fiscal year to 20,024 million yen.

This was mainly due to a decrease of 571 million yen in cash and cash equivalents, and an increase of 2,070 million yen in trade and other receivables.

Non-current assets decreased 61 million yen (0.2%) compared to the end of the previous consolidated fiscal year and were 26,265 million yen.

This was mainly due to an increase of 389 million yen in other financial assets due to market valuation of listed shares, tangible fixed assets decreased by 251 million yen, and goodwill and intangible assets decreased by 250 million yen due to the disposal of intangible assets.

As a result, total assets increased by 1,775 million yen (4.0%) compared to the previous consolidated fiscal year to 46,290 million yen.

(Liabilities)

Current Liabilities decreased 275 million yen (1.9%) compared to the end of the previous consolidated fiscal year and were 14,297 million yen.

This was mainly due to a decrease of 890 million yen in other financial liabilities due to a decrease in lease debts, etc.

Non-current liabilities decreased by 793 million yen (15.7%) compared to the end of the previous consolidated fiscal year to 4,254 million yen.

This was mainly due to a decrease of 614 million yen in other financial liabilities due to a decrease in lease debts, etc.

As a result, total liabilities decreased by 1,068 million yen (5.4%) compared to the end of the previous consolidated fiscal year to 18,551 million yen.

(Equity)

Total equity increased by 2,844 million yen (11.4%) compared to the end of the previous consolidated fiscal year to 27,738 million yen.

This is mainly because retained earnings increased by 2,471 million yen due to the recording of quarterly profits.

② Cash flow status

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the consolidated accounting period of the third quarter decreased by 571 million yen compared to the end of the previous consolidated accounting fiscal year to 4,207 million yen.

Each cash flow status category during the consolidated cumulative period of the third quarter and their causes are as follows.

(Cash flow from operating activities)

Funds obtained as a result of operating activities were 5,414 million yen (there was an income of 2,731 million yen during the same period of the previous year).

The main cause of the increase in funds were quarterly income of 2,897 million yen, and 3,418 million yen for depreciation and amortization expenses which are non-operating expenses; the main cause of the decrease in funds were an increase in trade receivables of 1,490 million yen and 1,469 million yen for payment of corporate income tax.

(Cashflow through investment activities)

Net cash used in investment activities was 2,338 million yen (expenditures of 1,510 million yen during the same period of the previous year).

The main itemization breakdown for expenditures was 2,143 million yen for acquisition of tangible fixed assets and investment property.

(Cashflow through financing activities)

Funds used as a result of financial activities were 3,647 million yen (expenditures of 1,006 million yen during the same period of the previous year).

The main itemization breakdown for expenditures were 2,478 million yen lease liabilities payments and 588 million yen for dividends.

(3) Explanation regarding the future forecast information such as consolidated business forecast

Based on the business performance trends during the first three quarters of the current cumulative period, the impact of the COVID-19 Pandemic on business performance is expected to be lower than initially expected. As a result, the consolidated business performance forecast for the period ending June 2021 has been revised. For information on the revision of consolidated earnings forecast, please refer to the "Notice Concerning Revision of Earnings Forecast and Revision of Year-end Dividend Forecast" published on May 13, 2021.

2. Summary of the consolidated financial statements and major notes

(1) Summary of quarterly consolidated statement of financial position

(Unit: million yen)

	End of the previous consolidated accounting year (June 30, 2020)	End of the consolidated accounting period of the third quarter (March 31, 2021)
Assets		
Current assets		
Cash and cash equivalents	4,779	4,207
Trade and other receivables	12,607	14,678
Inventories	511	935
Other financial assets	10	8
Other current assets	279	195
Total current assets	18,187	20,024
Non-current assets		
Tangible fixed assets	17,146	16,894
Goodwill and intangible assets	2,626	2,375
Investment properties	3,275	3,187
Investment accounting processed with equity method	984	1,041
Other financial assets	1,487	1,877
Other non-current assets	350	536
Deferred tax assets	456	351
Total non-current assets	26,327	26,265
Total assets	44,514	46,290

(Unit: million yen)

	End of the previous consolidated accounting year (June 30, 2020)	End of the consolidated accounting period of the third quarter (March 31, 2021)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payable	5,875	7,468
Loans	2,028	1,473
Other financial liabilities	2,847	1,957
Income taxes payable, etc.	931	711
Other current liabilities	2,889	2,686
Total current liabilities	14,572	14,297
Non-current liabilities		
Loans	55	30
Other financial liabilities	3,148	2,534
Retirement benefits liabilities	1,216	846
Other non-current liabilities	276	284
Deferred tax liabilities	351	558
Total non-current liabilities	5,048	4,254
Total liabilities	19,620	18,551
Equity		
Capital	3,390	3,390
Capital surplus	3,394	3,437
Treasury stock	△681	△681
Other components of funds	70	406
Retained earnings	18,690	21,162
Total equity attributable to the equity shareholders of the company	24,864	27,716
Non-controlling interests	29	21
Total equity	24,894	27,738
Total liabilities and equity	44,514	46,290

(2) Summary of quarterly consolidated profit and loss statement

(Unit: million yen)

	Consolidated cumulative period for the previous third quarter (from July 1, 2019 to March 31, 2020)	Consolidated cumulative period of this third quarter (from July 1, 2020 to March 31, 2021)
Sales	71,809	68,947
Cost of sales	△61,805	△58,744
Gross Profit	10,004	10,202
Selling, general and administrative expenses	△6,790	△6,555
Other income	274	796
Other expenses	△49	△236
Operating profit	3,439	4,207
Financial profit	11	10
Financial expenses	△45	△30
Investment gain / loss through equity method	48	32
Profit before tax	3,453	4,220
Corporate income tax expenses	△1,168	△1,322
Profits of the quarter	2,285	2,897
Attribution of the profits of the quarter:		
Equity shareholders of the company	2,274	2,905
Non-controlling interests	11	△7
Profits of the quarter	2,285	2,897
Quarterly earnings per share		
Basic quarterly earnings per share (yen)	136.32	173.53
Diluted quarterly earnings per share (yen)	135.94	173.05

(3) Summary of quarterly consolidated statement of comprehensive income

(Unit: million yen)

	Consolidated cumulative period for the previous third quarter (from July 1, 2019 to March 31, 2020)	Consolidated cumulative period of this third quarter (from July 1, 2020 to March 31, 2021)
Profits of the quarter	2,285	2,897
Other comprehensive income		
Items not transferring over to profit or loss:		
Remeasurement of defined benefit system	Δ43	155
Financial assets measured by fair value through other comprehensive income	Δ155	311
Total of the items not transferring over to profit or loss	Δ198	467
Items which may be transferred over to profit or loss		
Other comprehensive income equity of affiliated company accounted for by the equity method	Δ11	24
Total of the items which may be transferred over to profit or loss	Δ11	24
Other comprehensive income after tax deduction	Δ210	491
Comprehensive income of the quarter	2,075	3,389
Attribution of the comprehensive income for the quarter:		
Equity shareholders of the company	2,064	3,397
Non-controlling interests	11	Δ7
Comprehensive income of the quarter	2,075	3,389

(4) Summary of quarterly consolidated statement of changes in equity

Consolidated cumulative period of the third quarter (from July 1, 2019 to March 30, 2020)

(Unit: million yen)

	Equity attributable to equity shareholders of the company								Total equity attributing to the equity shareholders of the company	Non-controlling interests	Total equity
	Capital	Capital surplus	Treasury stock	Other components of funds				Retained Earnings			
				Conversion difference of business activities overseas	Financial assets measured by fair value through other comprehensive income	Remeasurement of defined benefit system	Total other components of funds				
Balance on July 1, 2019	3,390	3,362	△687	△50	286	--	236	16,754	23,056	16	23,072
Profits of the quarter							--	2,274	2,274	11	2,285
Other comprehensive income				△11	△155	△43	△210		△210		△210
Comprehensive income of the quarter	--	--	--	△11	△155	△43	△210	2,274	2,064	11	2,075
Dividends of surplus							--	△593	△593		△593
Share-based payment transactions, etc.		33	6				--		40		40
Transfer from other capital component to Retained earnings						43	43	△43	--		--
Total transactions, etc. with the owners	--	33	6	--	--	43	43	△636	△552	--	△552
Balance on March 31, 2020	3,390	3,395	△681	△61	131	--	69	18,392	24,567	27	24,595

Consolidated cumulative period of this third quarter (from July 1, 2020 to March 30, 2021)

(Unit: million yen)

	Equity attributable to equity shareholders of the company								Total equity attributing to the equity shareholders of the company	Non-controlling interests	Total equity
	Capital	Capital surplus	Treasury stock	Other components of funds				Retained Earnings			
				Conversion difference of business activities overseas	Financial assets measured by fair value through other comprehensive income	Remeasurement of defined benefit system	Total other components of funds				
Balance on July 1, 2020	3,390	3,394	△681	△108	179	--	70	18,690	24,864	29	24,894
Profits of the quarter							--	2,905	2,905	△7	2,897
Other comprehensive income				24	311	155	491		491		491
Comprehensive income of the quarter	--	--	--	24	311	155	491	2,905	3,397	△7	3,389
Dividends of surplus							--	△588	△588		△588
Acquisition of treasury stock			△0				--		△0		△0
Share-based payment transactions, etc.		43					--		43		43
Transfer from other capital component to Retained earnings						△155	△155	155	--		--
Total transactions, etc. with the owners	--	43	△0	--	--	△155	△155	△433	△545	--	△545
Balance on March 31, 2021	3,390	3,437	△681	△84	491	--	406	21,162	27,716	21	27,738

(5) Summary of quarterly consolidated cash flow statements

(Unit: million yen)

	Consolidated cumulative period for the previous third quarter (from July 1, 2019 to March 31, 2020)	Consolidated cumulative period of this third quarter (from July 1, 2020 to March 31, 2021)
Cash flow from operating activities		
Profits of the quarter	2,285	2,897
Depreciation and amortization costs	3,119	3,418
Interest income and dividend	△10	△9
Interest expense	38	29
Investment gain / loss through equity method	△48	△32
Corporate income tax expenses	1,168	1,322
Increase / decrease of trade receivables (△ is an increase)	△2,418	△1,490
Increase / decrease of inventories (△ is an increase)	△46	△424
Increase / decrease of trade payables (△ is a decrease)	571	1,572
Increase / decrease in retirement benefits liabilities (△ is a decrease)	△213	△126
Other	△359	△253
Subtotal	4,086	6,904
Interest and dividend received	10	9
Interest paid	△38	△29
Corporate income tax paid	△1,327	△1,469
Cash flow from operating activities	2,731	5,414
Cashflow through investment activities		
Payment for acquisition of tangible fixed assets and investment properties	△1,371	△2,143
Proceed from sales of tangible fixed assets and investment properties	9	29
Payment for intangible assets	△106	△78
Payment for loans receivable	△35	△12
Proceed from loans receivable	13	29
Other	△21	△162
Cashflow through investment activities	△1,510	△2,338

(Unit: million yen)

	Consolidated cumulative period for the previous third quarter (from July 1, 2019 to March 31, 2020)	Consolidated cumulative period of this third quarter (from July 1, 2020 to March 31, 2021)
Cash flow through financing activities		
Net increase or decrease of short-term loans (Δ is a decrease)	2,100	Δ 535
Repayment of long-term loans	Δ 106	Δ 44
Repayment of lease debts	Δ 2,406	Δ 2,478
Dividend paid	Δ 593	Δ 588
Expenditures from acquisition of treasury stock	—	Δ 0
Cash flow through financing activities	Δ 1,006	Δ 3,647
Increase / decrease in of cash and cash equivalents (Δ is a decrease)	213	Δ 571
Cash and cash equivalents at the beginning of the quarter	3,465	4,779
Balance of cash and cash equivalents at the end of the quarter	3,679	4,207

(6) Notes regarding summary of quarterly consolidated financial statements

(Notes on going concern assumption)

There are no applicable matters.

(Segment information)

The segment information of our group is as follows.

Consolidated cumulative period of the third quarter (from July 1, 2019 to March 31, 2020)

(Unit: million yen)

	Automobile related businesses	Human resource business	General cargo business	Total	Adjustment amount (note)	Total amount on the quarterly consolidated financial statements
Sales						
Sales from external customers	52,432	14,491	4,885	71,809	--	71,809
Sales between segments	32	850	341	1,225	Δ1,225	--
Total	52,465	15,342	5,226	73,034	Δ1,225	71,809
Segment profit (operating profit)(Δ is loss)	4,525	684	Δ277	4,931	Δ1,491	3,439

(Note) 1. The Δ1,491 million yen adjustment amount in the segment profits includes the total company cost Δ1,491 million yen and 0 million yen of transaction elimination between segments. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.

2. The life expectancy has been changed from the consolidated cumulative period of the first quarter (for some vehicles) for sales in our company's automobile related businesses. Due to this change, the segment profit during the consolidated cumulative period of this third quarter has increased by 235 million yen in the automotive related businesses compared to that of the conventional method.

Consolidated cumulative period of this third quarter (from July 1, 2020 to March 31, 2021)

(Unit: million yen)

	Automobile related businesses	Human resource business	General cargo business	Total	Adjustment amount (note)	Total amount on the quarterly consolidated financial statements
Sales						
Sales from external customers	50,973	13,445	4,527	68,947	--	68,947
Sales between segments	39	746	360	1,146	Δ1,146	--
Total	51,013	14,192	4,888	70,093	Δ1,146	68,947
Segment profit (operating profit)	4,463	724	494	5,682	Δ1,474	4,207

(Note) 1. The Δ1,475 million yen adjustment amount in the segment profits includes the total company cost Δ1,475 million yen and 0 million yen of transaction elimination between segments. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.

Consolidated accounting period of the third quarter (from January 1, 2020 to March 31, 2020)

(Unit: million yen)

	Automobile related businesses	Human resource business	General cargo business	Total	Adjustment amount (note)	Total amount on the quarterly consolidated financial statements
Sales						
Sales from external customers	19,345	4,683	1,520	25,549	--	25,549
Sales between segments	11	324	111	448	△448	--
Total	19,357	5,008	1,631	25,997	△448	25,549
Segment profit (operating profit) (Δ is loss)	1,684	180	△18	1,846	△508	1,337

(Note) 1. The △508 million yen adjustment amount in the segment profits includes the total company cost △508 million yen and 0 million yen of transaction elimination between segments. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.

2. The life expectancy has been changed from the consolidated cumulative period of the first quarter (for some vehicles) for sales in our company's automobile related businesses. Due to this change, the segment profit during the consolidated cumulative period of this third quarter has increased by 81 million yen in the automotive related businesses compared to that of the conventional method.

Consolidated accounting period of this third quarter (from January 1, 2021 to March 31, 2021)

(Unit: million yen)

	Automobile related businesses	Human resource business	General cargo business	Total	Adjustment amount (note)	Total amount on the quarterly consolidated financial statements
Sales						
Sales from external customers	19,073	4,448	1,655	25,178	--	25,178
Sales between segments	14	395	123	533	△533	--
Total	19,088	4,844	1,778	25,712	△533	25,178
Segment profit (operating profit)	1,738	116	267	2,122	△497	1,624

(Note) 1. The △497 million yen adjustment amount in the segment profits includes the total company cost △497 million yen and 0 million yen of transaction elimination between segments. The total company cost is an expense related to the management divisions of our company not belonging to the reporting segment.