

# Third Quarter Kessan Report for the March 2007 Term (Consolidated)

February 16, 2007

## SATO CORPORATION

Company code number: 6287  
(URL <http://www.sato.co.jp/>)  
Shares traded: TSE  
Executive position of legal representative: Masanori Otsuka, President and COO,  
Representative Corporate Executive Officer  
Please address all communications to: Tatsuo Narumi, Senior Executive Officer,  
General Manager, Corporate Planning &  
Administration Division  
Phone: (03) 5789-2500

### 1. Statements regarding the preparation, etc. of quarterly financial information

- (1) Use of simplified accounting methods: Yes  
- The Company calculates corporate and other taxes by estimating annual rates of taxation based on effective statutory tax rates.
- (2) Changes in accounting methods: Yes  
- Whereas previously the Company had been converting the revenues and expenses of its overseas subsidiaries into yen at spot rates on the day of consolidated closing, it began using the average exchange rate method in the third quarter. This reflected a judgment that using this method would contribute to a more appropriate accounting of periodic profits and losses. This decision took into consideration the increasing importance of the Company's overseas business, particularly with the acquisition of the bar code business of Meto in January 2006, and also the extremely rapid devaluation of the yen in the second half of the year to March 2007.
- (3) Changes in scope of consolidation and companies accounted for under the equity method: Yes  
- Consolidation (new): 2

## 2. Financial status and operating results for the nine-month period of the year to March 31, 2007 (April 1, 2006 to December 31, 2006)

### (1) Consolidated financial results

	Net sales		Operating income		Ordinary profit	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
December 31, 2006	61,979	22.8	4,143	3.1	4,306	3.3
December 31, 2005	50,484	7.9	4,016	(1.1)	4,167	3.1
March 31, 2006	68,964		5,222		5,400	

	Net income		Net income per share	Net income per share, fully diluted
	(Millions of yen)	%	(Yen)	(Yen)
December 31, 2006	1,660	(21.5)	52.90	-
December 31, 2005	2,115	(3.1)	67.43	-
March 31, 2006	2,646		84.32	-

(Notes)

1. As a result of the change in accounting methods noted above in item 1-(2), operating income was ¥76 million higher than it would have been had the previous method of accounting been applied, and ordinary profit ¥52 million lower than it would have been using the previous method.
2. The percentages shown alongside net sales, operating income, etc. indicate changes from the year-earlier quarter.
3. There is no entry for diluted net income per share for the third quarter of the year to March 2007 because the Company had no residual securities capable of diluting earnings.

### Results of operations (percentage changes, year-on-year)

The Sato group subscribes to the fundamental business policy of contributing to society by promoting the business concept of “DCS (Data Collection Systems) & Labeling,” the goal of which is to realize “accuracy, labor savings, and resource conservation.”

The business concept of “DCS & Labeling” also denotes the Company’s unique business model, which it is aiming to expand globally. To achieve the goal of group-wide sales of “¥150 billion by FY ending March 2016,” Sato has been carrying out a two-stage plan, the first of which covered the period from FY ended March 2002 to FY ended March 2006. During that span of time, Sato sought to develop the infrastructure for an expansion of its business. The year to March 2007 marks the first year of the second stage of the plan, where the focus will shift to practical actions to grow the business.

Following the disappointing profits of the first half of the current fiscal year, the third quarter took on enormous importance in the Company’s drive to achieve its financial targets for the full year. Accordingly, the entire company united behind efforts to restore profitability while continuing to engage in actions aimed at achieving the medium-to-long term goals that would position the Company to achieve its vision for the year to March 2016.

Consolidated net sales for the nine-month period through December 31, 2006 increased by 22.8% year-on-year to ¥61,979 million. In addition to healthy domestic demand, the Company’s overseas operations benefited from acquisitions of businesses from Checkpoint Systems, Inc. (hereinafter, “CKP”) in January 2006 and from Walker Datavision Ltd. (“WDV”) in June 2006.

Domestically, sales for the nine-month period increased by 6.5% to ¥43,065 million, reflecting continued growth in sales of markdown control systems to large retailers and further gains in the healthcare industry, as well as steady increases in sales to such markets as manufacturing and transportation. Overseas, the contributions from business acquired from CKP and WDV resulted in an 88% increase in sales to ¥18,913 million.

In terms of profitability, Sato achieved substantial improvements during the first nine months of the year as a result of efforts to raise gross profit margins in its mechatronic and supply products businesses and as a result of successful integration of CKP's business into its operations. The latter now assures an imminent return to normalcy following the temporary spike in expenses brought on by the CKP acquisition.

The Company also continued to deal with its problems in Europe. A reorganization team, composed of managers from Sato International Pte. Ltd., the Company's overseas business headquarters, and of executives from the Company's major European subsidiaries, began to implement a number of effective and far-reaching measures. The operating companies also made progress through self-motivated organizational change. This combination of autonomy and thoroughness in dealing with such issues as improving sales capabilities, reducing costs, and reorganizing business enabled the Company to lift its European operations into the black in the third quarter.

Together with continued strong performance in America, and a clear return to recovery in Asia and Oceania, overseas operations as a whole were profitable, achieving the goals set in the Company's plans.

Consequently, consolidated results for the third quarter were at a record high: net sales, up by 22.2% to ¥21,468 million; operating income, up by 24.1% to ¥1,964 million; ordinary profit, up by 26.1% to ¥2,115 million; and net income, up by 42.1% to ¥1,129 million.

Accordingly, for the nine-month period through December 31, 2006, operating income increased by 3.1% to ¥4,143 million, ordinary profit increased by 3.3% to ¥4,306 million, and net income declined by 21.5% to ¥1,660 million.

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
December 31, 2006	66,610	36,765	55.2	1,181.47
December 31, 2005	54,305	35,878	66.1	1,143.22
March 31, 2006	61,624	36,119	58.6	1,149.80

## Consolidated cash flow statement

	Net cash provided by operating activities	Net cash used in investing activities	Net cash used in financing activities	Cash and cash equivalents at end of term
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
December 31, 2006	1,189	(3,465)	841	9,605
December 31, 2005	1,210	(1,750)	(1,060)	8,809
March 31, 2006	4,801	(6,575)	2,069	10,751

## Changes in financial condition

Total assets increased by ¥4,986 million from the end of previous fiscal year. Net assets increased by ¥646 million, bringing the equity ratio to 55.2%.

As of the third quarter ended December 31, 2006, cash and cash equivalents (hereinafter, “cash”) was ¥9,605 million, decreased by ¥1,145 million relative to the end of March 2006.

A summary of the major components of cash flow in the third quarter ended December 31, 2006 is as follows.

### *Net cash provided by operating activities:*

Net cash provided by operating activities amounted to ¥1,189 million.

This was primarily the result of the recognition of third quarter income before adjustments for income taxes, the recognition of depreciation expenses, and a ¥2,243 million increase in accounts payable-other, which were partly offset by a ¥2,211 million increase in notes and accounts receivable, a ¥411 million increase in inventories, a ¥684 million decrease in notes and accounts payable, and a ¥2,392 million payment of income taxes.

### *Net cash used in investing activities:*

Net cash used in investing activities amounted to ¥3,465 million.

This was mainly the result of ¥2,846 million in acquisitions of tangible fixed assets, ¥304 million in acquisitions of intangible fixed assets, and ¥672 million in acquisitions of marketing rights.

### *Net cash used in financing activities:*

Net cash used in financing activities amounted to ¥841 million.

This resulted primarily from an increase in short-term borrowings of ¥2,192 million and in long-term debt of ¥227 million, which exceeded the Company’s cash dividend paid of ¥973 million and its expenditure of ¥609 million for the purchase of treasury stock.

**[Reference data]****Non-consolidated results (April 1, 2006 to December 31, 2006)**

	Net sales		Operating income		Ordinary profit		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
December 31, 2006	43,253	1.8	3,969	(1.5)	4,194	(4.2)	2,385	(8.5)
December 31, 2005	42,480	5.2	4,030	(5.7)	4,379	0.4	2,606	(1.4)
March 31, 2006	55,984		5,104		5,517		3,351	

(Notes) In the nine-month period ended December 2005, the Company established three wholly-owned subsidiaries as part of a program to improve the efficiency of its operating divisions. On April 1, 2006, it then merged these three companies into Sato Systems Support Co. Ltd., using the simplified partition method.

Had the standards used in the previous period applied in the period under review, the Company's consolidated results for Japan, including the results of those four subsidiaries, would have been as follows.

	Net sales		Operating income		Ordinary profit		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
	45,025	6.0	4,274	6.0	4,493	2.6	2,552	(2.0)

	Total assets	Net assets
	(Millions of yen)	(Millions of yen)
December 31, 2006	65,580	42,104
December 31, 2005	57,175	40,478
March 31, 2006	61,412	41,302

**3. Consolidated forecasts for March 2007 term (April 1, 2006 to March 31, 2007)**

	Net sales	Ordinary profit	Net income
	(Millions of yen)	(Millions of yen)	(Millions of yen)
Annual	83,000	5,750	2,650

(N.b.) Estimated earnings per share (annual): 85.17 yen

**[Reference data]****Non-consolidated forecasts for March 2007 term (April 1, 2006 to March 31, 2007)**

	Net sales	Ordinary profit	Net income
	(Millions of yen)	(Millions of yen)	(Millions of yen)
Annual	55,500	5,150	3,100

(N.b.) Estimated earnings per share (annual): 99.63 yen

*The forecasts stated above are based on our current expectations and assumptions prepared using information available at present and subject to various uncertainties. Actual results may differ due to a variety of causes.*

### **Qualitative information regarding forecasts**

In Japan, demand for bar codes, two-dimensional symbologies, RFID, and other automatic identification technologies continues to be very strong in virtually every industrial work place, ranging from those in currently prosperous industries such as automobiles, home electrical appliances, electronic components, and steel to those in sectors such as healthcare, product distribution, and food processing. Automatic identification technologies also meet the needs of those selling agricultural products, such as rice, fish, vegetables and meats.

Overseas, negotiations with potentially large accounts are increasing in North America as the Company adds new distributors capable of making effective business-solution presentations and works in closer cooperation with such dealers. Sales in Asia and Oceania continue to be strong, while in Thailand and Malaysia the Company is expanding its ability to supply manufacturers as label production plants in those two countries become fully viable. In Europe, operating losses are steadily shrinking.

With the new technology and enquiry support center established in Sweden in October 2006 now fully operational, the Company will strengthen its sales activities in Europe and other overseas markets by enhancing its ability to make effective business-solution presentations, developing new sales channels, and other measures.

To strengthen profitability, the Company is engaged in a company-wide effort to increase productivity and to reduce costs by shifting production of mechatronic products to its Vietnam plant and by upgrading and improving the approximately 200 printers that it utilizes worldwide to manufacture supply products.

In light of the above trends, the Company reaffirms the full-year forecasts made at the time of its announcement of interim results on November 24, 2006.

## Consolidated balance sheets (Summary)

Millions of yen	December 31, 2006	December 31, 2005	Increase/decrease %	March 31, 2006	
<b>Current assets</b>					
Cash	9,605	8,759	846	10,700	
Notes and accounts receivable	21,124	17,005	4,118	18,169	
Marketable securities	-	50	(50)	50	
Inventories	11,062	8,141	2,920	10,144	
Deferred credit	792	518	273	613	
Others	1,765	938	826	1,280	
Allowance for doubtful accounts	(114)	(81)	(33)	(88)	
Total current assets	44,234	35,332	8,902	25.2	40,870
<b>Fixed assets</b>					
<b>Tangible fixed assets</b>					
Buildings and structures	5,710	5,290	419	5,258	
Machinery, equipment and delivery equipment	3,293	2,099	1,193	2,662	
Tools, furniture and fixtures	1,568	1,239	328	1,302	
Land	5,651	5,658	(6)	5,658	
Construction in progress	393	83	309	298	
	16,616	14,372	2,244	15.6	15,181
<b>Intangible fixed assets</b>	3,494	2,843	651	22.9	3,589
<b>Investments and other assets</b>					
Investment securities	288	243	44	250	
Long-term loans	23	53	(30)	38	
Guarantee deposits	1,088	706	382	971	
Others	935	843	91	785	
Allowance for doubtful accounts	(71)	(89)	17	(62)	
	2,264	1,758	505	28.8	1,983
Total fixed assets	22,375	18,973	3,402	17.9	20,753
<b>Total assets</b>	<b>66,610</b>	<b>54,305</b>	<b>12,304</b>	<b>22.7</b>	<b>61,624</b>

Millions of yen	December 31, 2006	December 31, 2005	Increase/decrease %	March 31, 2006
<b>Current liabilities</b>				
Notes and accounts payable	5,698	4,578	1,119	5,531
Short-term borrowings	5,657	391	5,265	3,465
Accounts payable - other	11,237	8,494	2,742	8,994
Income taxes payable	932	795	136	1,354
Reserve for bonuses	216	105	110	189
Others	3,563	3,220	342	3,907
	27,304	17,587	9,717	23,442
<b>Long-term liabilities</b>				
Reserve for employees' retirement benefits	1,812	336	1,476	1,591
Others	726	499	227	470
	2,539	835	1,704	2,062
Total liabilities	29,844	18,423	11,421	25,504
<b>Minority interest in consolidated subsidiaries</b>				
	-	4	-	-
<b>Shareholders' equity</b>				
Common stock	-	6,331	-	6,331
Capital reserves	-	5,792	-	5,798
Retained earnings	-	25,287	-	24,918
Unrealized gains or losses on other securities	-	30	-	26
Foreign currency translation adjustment	-	(32)	-	499
Treasury stock	-	(1,529)	-	(1,454)
Total shareholders' equity	-	35,878	-	36,119
Total liabilities, minority interest and shareholders' equity	-	54,305	-	61,624
<b>Net assets</b>				
<b>Shareholders' equity</b>				
Common stock	6,331	-	-	-
Capital surplus	5,799	-	-	-
Retained earnings	25,604	-	-	-
Treasury stock	(2,058)	-	-	-
	35,675	-	-	-
<b>Valuation/translation gains (losses)</b>				
Unrealized gains or losses on other securities	21	-	-	-
Foreign currency translation adjustments	1,064	-	-	-
	1,085	-	-	-
<b>Minority interest in consolidated subsidiaries</b>				
	4	-	-	-
Net assets	36,765	-	-	-
<b>Total liabilities and net assets</b>	<b>66,610</b>	-	-	-



## Consolidated statements of income (Summary)

Millions of yen	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Increase/decrease		Year ended March 31, 2006
				%	
<b>Net sales</b>	61,979	50,484	11,494	22.8	68,964
<b>Cost of sales</b>	35,247	27,913	7,334	26.3	38,371
Gross profit on sales	26,731	22,570	4,160	18.4	30,593
<b>Selling, general and administrative expenses</b>	22,588	18,554	4,034	21.7	25,371
Operating income	4,143	4,016	126	3.1	5,222
<b>Non operating income</b>					
Interest income	56	21	34		36
Foreign exchange gain	281	258	23		276
Others	205	129	75		248
	542	409	133	32.6	561
<b>Non operating expenses</b>					
Interest expenses	81	74	7		102
Others	297	183	113		281
	379	258	120	46.7	383
Ordinary profit	4,306	4,167	138	3.3	5,400
<b>Extraordinary gains</b>	45	1	44	-	45
<b>Extraordinary losses</b>	716	219	497	226.5	546
Income before adjustments for income taxes	3,634	3,949	(314)	(8.0)	4,898
Taxes	1,970	1,828	142	7.8	2,251
Minority interest in income (loss) of consolidated subsidiaries	4	4	(0)	-	-
Net income	1,660	2,115	(455)	(21.5)	2,646

## Consolidated statement of changes in net assets

Millions of yen; December 31, 2006	Shareholders' equity				Total shareholders' equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	
Balance as of Mar 31, 2006	6,331	5,798	24,918	(1,454)	35,593
Changes during the term					
Dividends			(973)		(973)
Net income (loss)			1,660		1,660
Disposal of treasury stock		0		5	5
Acquisition of treasury stock				(609)	(609)
Other changes in non-shareholders' equity items during the term (net)					
Total changes during the term	-	0	686	(604)	82
Balance as of Dec 31, 2006	6,331	5,799	25,604	(2,058)	35,675

  

Millions of yen; December 31, 2006	Valuation/translation gains (losses)			Minority interest in consolidated subsidiaries	Net assets
	Unrealized gains losses on other securities	Foreign currency translation adjustments	Total valuation/translation gains (losses)		
Balance as of Mar 31, 2006	26	499	526	-	36,119
Changes during the term					
Dividends					(973)
Net income (loss)					1,660
Disposal of treasury stock					5
Acquisition of treasury stock					(609)
Other changes in non-shareholders' equity items during the term (net)	(5)	564	559	4	563
Total changes during the term	(5)	564	559	4	645
Balance as of Dec 31, 2006	21	1,064	1,085	4	36,765

## Consolidated statements of cash flows (Summary)

Millions of yen	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Year ended March 31, 2006
<b>Net cash provided by operating activities</b>			
Income before adjustments for income taxes	3,634	3,949	4,898
Depreciation expenses	1,623	1,409	1,968
Amortization of consolidation adjustment account	-	-	61
Amortization of goodwill	211	-	-
Gain on sales of marketable securities	(3)	(1)	(2)
Loss on disposal of fixed assets	160	11	15
Loss on business restructuring	170	179	251
Expenses related to business acquisitions	273	-	216
Increase (decrease) in allowance for doubtful accounts	28	0	(21)
Increase (decrease) in reserve for bonuses	13	7	143
Increase (decrease) in reserve for directors' and corporate auditors' bonuses	(54)	-	-
Increase (decrease) in allowance for product warranty	24	-	-
Increase (decrease) in reserve for directors' retirement allowances	-	(21)	(21)
Increase (decrease) in reserve for retirement benefits	73	138	37
Interest and dividends received	(56)	(22)	(38)
Interest expenses	81	74	102
Foreign exchange loss (gain)	(285)	157	550
Gain on sales of tangible fixed assets	(24)	(1)	(2)
Decrease (increase) in notes and accounts receivable	(2,211)	(2,325)	(1,445)
Decrease (increase) in inventories	(411)	(243)	(753)
Decrease (increase) in prepaid expenses	(213)	(158)	30
Decrease (increase) in accounts receivable - others	(174)	29	(64)
Increase (decrease) in notes and accounts payable	(684)	(1,020)	(129)
Increase (decrease) in accounts payable - other	2,243	562	694
Others	(370)	679	764
	4,052	3,402	7,256
Interest and dividends received	56	22	38
Interest paid	(81)	(74)	(102)
Payments related to losses on business restructuring	(170)	(179)	(251)
Payments related to business acquisition expenses	(273)	-	(216)
Income taxes paid	(2,392)	(1,961)	(1,922)
	1,189	1,210	4,801
<b>Net cash used in investing activities</b>			
Proceeds from sales of marketable securities	-	12	13
Payments for investments in securities	(41)	-	(83)
Proceeds from sales of investment securities	-	-	1
Purchase of tangible fixed assets	(2,846)	(747)	(1,338)
Proceeds from sales of tangible fixed assets	292	27	61
Purchase of intangible fixed assets	(304)	(890)	(644)
Payments resulting from receipt of marketing rights	(672)	(35)	(4,268)
Others	105	(117)	(318)
	(3,465)	(1,750)	(6,575)

Millions of yen	Nine months ended December 31, 2006	Nine months ended December 31, 2005	Year ended March 31, 2006
<b>Net cash used in financing activities</b>			
Increase (decrease) in short-term borrowings	2,192	(100)	2,925
Increase in long-term debt	227	2	28
Proceeds from sales of treasury stock	5	8	93
Purchase of treasury stock	(609)	(3)	(6)
Cash dividend paid	(973)	(967)	(971)
	841	(1,060)	2,069
Effect of exchange rate changes on cash and cash equivalents	288	176	222
Net increase (decrease) in cash and cash equivalents	(1,145)	(1,424)	516
Cash and cash equivalents at beginning of term	10,751	10,234	10,234
Cash and cash equivalents at end of term	9,605	8,809	10,751

## 4. Segment information

### Business segment information

Millions of yen	Mechatronic product business	Supply product business	Total	Eliminations	Consolidated
<b>Nine months ended December 31, 2006</b>					
Sales					
External customer sales	26,061	35,917	61,979	( - )	61,979
Intersegment transactions and eliminations	-	-	-	( - )	-
	26,061	35,917	61,979	( - )	61,979
Operating expenses	24,290	33,545	57,836	( - )	57,836
Operating income	1,771	2,371	4,143	( - )	4,143
<b>Nine months ended December 31, 2005</b>					
Sales					
External customer sales	22,179	28,304	50,484	( - )	50,484
Intersegment transactions and eliminations	-	-	-	( - )	-
	22,179	28,304	50,484	( - )	50,484
Operating expenses	20,128	26,338	46,467	( - )	46,467
Operating income	2,051	1,965	4,016	( - )	4,016
<b>Year ended March 31, 2006</b>					
Sales					
External customer sales	30,336	38,628	68,964	( - )	68,964
Intersegment transactions and eliminations	-	-	-	( - )	-
	30,336	38,628	68,964	( - )	68,964
Operating expenses	27,798	35,944	63,742	( - )	63,742
Operating income	2,538	2,684	5,222	( - )	5,222

(Note)

The main products of each business segment are as follows:

Mechatronic product business: electronic printers, hand labelers

Supply product business: labels/tags for electronic printer, labels for hand labeler, IC tags/labels, tickets, ribbons, MC-cards

## Geographical segment information

Millions of yen	Japan	North America	Europe	Asia, Oceania	Total	Eliminations	Consolidated
<b>Nine months ended December 31, 2006</b>							
Sales							
External customers	43,065	6,895	7,833	4,184	61,979	-	61,979
Intersegment sales	1,959	92	1,016	9,043	12,112	(12,112)	-
	45,025	6,987	8,850	13,227	74,091	(12,112)	61,979
Operating expenses	40,751	6,495	9,190	13,136	69,574	(11,737)	57,836
Operating income	4,274	492	(340)	91	4,517	(374)	4,143
<b>Nine months ended December 31, 2005</b>							
Sales							
External customers	40,423	3,051	4,796	2,213	50,484	-	50,484
Intersegment sales	2,056	15	862	9,918	12,852	(12,852)	-
	42,480	3,067	5,658	12,131	63,337	(12,852)	50,484
Operating expenses	38,449	2,888	6,161	11,637	59,136	(12,669)	46,467
Operating income	4,030	178	(502)	493	4,200	(183)	4,016
<b>Year ended March 31, 2006</b>							
Sales							
External customers	53,272	5,281	7,172	3,238	68,964	-	68,964
Intersegment sales	2,712	21	1,360	13,034	17,127	(17,127)	-
	55,984	5,302	8,532	16,272	86,092	(17,127)	68,964
Operating expenses	50,880	4,985	8,993	15,664	80,524	(16,781)	63,742
Operating income	5,104	316	(461)	608	5,568	(345)	5,222

(Notes)

- Regions are categorized on the basis of geographical proximity.
- Outside Japan, the countries belonging to the various regions are as follows.
  - North America: U.S.A.
  - Europe: Germany, U.K., Poland, Belgium, France, Spain
  - Asia, Oceania: Malaysia, Singapore, Thailand, China, Vietnam, Australia, New Zealand

## Overseas sales

Millions of yen	Nine months ended December 31, 2006		Nine months ended December 31, 2005		Year ended March 31, 2006	
	Overseas sales	As % of net sales	Overseas sales	As % of net sales	Overseas sales	As % of net sales
North America	6,895	11.1	3,051	6.0	5,281	7.7
Europe	7,833	12.6	4,796	9.5	7,172	10.4
Asia, others	4,184	6.8	2,213	4.4	3,238	4.7
	18,913	30.5	10,060	19.9	15,692	22.8
Consolidated sales	61,979		50,484		68,964	

(Notes)

- Regions are categorized on the basis of geographical proximity.
- Outside Japan, the countries belonging to the various regions are as follows.
  - North America: U.S.A., Canada
  - Europe: Germany, U.K., France, Italy, etc.
  - Asia, etc.: Malaysia, Singapore, Thailand, China, Australia, etc.
- Overseas sales are composed of sales made in countries and regions other than Japan by SATO CORPORATION and its consolidated subsidiaries.