

Summary of Financial Results for the Second Quarter of Fiscal Year Ending December 31, 2023 (Six Months Ended June 30, 2023)

[Japanese GAAP]

Company name: **KOSÉ Corporation** Stock listing: Tokyo Stock Exchange, Prime Market
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 Scheduled date of dividend payment: September 8, 2023
 Preparation of supplementary materials for quarterly financial results: Yes
 Holding of quarterly financial results meeting: Yes

(Rounded down to million yen)

1. Consolidated Financial Results for the Six Months Ended June 30, 2023 (January 1, 2023 – June 30, 2023)

 (1) Consolidated financial results *(YoY change % represents changes from the previous fiscal year)*

	Net sales (Million yen)	YoY change (%)	Operating profit (Million yen)	YoY change (%)	Ordinary profit (Million yen)	YoY change (%)	Profit attributable to owners of parent (Million yen)	YoY change (%)
2Q 2023	144,295	10.5	10,420	44.5	14,062	(7.2)	8,697	(2.1)
2Q 2022	130,604	-	7,209	-	15,158	-	8,883	-

Note: Comprehensive income (million yen) 2Q 2023: 12,175 (down 26.2%) 2Q 2022: 16,487 (-%)

	Net income per share (basic) (Yen)	Net income per share (diluted) (Yen)
2Q 2023	152.45	-
2Q 2022	155.72	-

Note: The consolidated financial statements for 2Q FY12/2021 include results of operations of KOSÉ and its consolidated subsidiaries in Japan that had a March 31 fiscal year end for the period from April 1, 2021 to September 30, 2021, and of consolidated subsidiaries that had a December 31 fiscal year end for the period from January 1, 2021 to June 30, 2021. As a result, YoY comparisons for 2Q 2022 are not shown.

(2) Consolidated financial position

	Total assets (Million yen)	Net assets (Million yen)	Equity ratio (%)	Net assets per share (Yen)
2Q 2023	363,211	283,381	73.5	4,678.43
2022	359,600	275,349	72.0	4,539.45

Ref.: Shareholders' equity (million yen) 2Q 2023: 266,939 2022: 258,992

2. Dividends

	Dividend per share				
	1Q-end (Yen)	2Q-end (Yen)	3Q-end (Yen)	Year-end (Yen)	Total (Yen)
2022	-	70.00	-	70.00	140.00
2023	-	70.00	-	-	-
2023 (forecast)	-	-	-	70.00	140.00

Note: Revisions to the most recently announced dividend forecast: None

3. Consolidated Forecast for 2023 (January 1, 2023 – December 31, 2023)

(YoY change % represents changes from the previous fiscal year)

	Net sales (Million yen)	YoY change (%)	Operating profit (Million yen)	YoY change (%)	Ordinary profit (Million yen)	YoY change (%)	Profit attributable to owners of parent (Million yen)	YoY change (%)	Net income per share (Yen)
Full year	305,000	5.5	21,000	(5.1)	20,300	(28.5)	13,300	(29.1)	233.11

Note: Revisions to the most recently announced consolidated forecast: None

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of special accounting methods for presenting consolidated quarterly financial statements: None

(3) Changes in accounting policies and accounting-based estimates, and restatements

- 1) Changes in accounting policies due to revisions in accounting standards, others : None
- 2) Changes in accounting policies other than 1) above : None
- 3) Changes in accounting-based estimates : None
- 4) Restatements : None

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding (incl. treasury shares) at end of the period			
As of June 30, 2023	60,592,541 shares	As of December 31, 2022	60,592,541 shares
2) Number of treasury shares at end of the period			
As of June 30, 2023	3,535,014 shares	As of December 31, 2022	3,538,707 shares
3) Average number of shares outstanding during the period			
2Q 2023	57,055,055 shares	2Q 2022	57,051,201 shares

Note 1: The current financial report is not subject to quarterly review by certified public accountants or auditing firms.

Note 2: Cautionary statement with respect to forward-looking statements

These materials contain forward-looking statements and statements of this nature based on assumptions judged to be valid and information available to KOSÉ as of the announcement date of the summary. These statements are not promises by KOSÉ regarding future performance. As such, actual results may differ significantly from these projections resulting from changes in the economic environment and other risks and uncertainties. For discussion of the assumptions and other factors considered by KOSÉ in preparing the above projections, please refer to the section "1. Qualitative Information on Consolidated Quarterly Financial Performance, (2) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 3 of the attachments.

Contents of Attachments

1. Qualitative Information on Consolidated Quarterly Financial Performance	2
(1) Explanation of Results of Operations	2
(2) Explanation of Consolidated Forecast and Other Forward-looking Statements	3
2. Consolidated Quarterly Financial Statements and Notes	4
(1) Consolidated Quarterly Balance Sheet	4
(2) Consolidated Quarterly Statements of Income and Comprehensive Income	6
Consolidated Quarterly Statement of Income	
(For the Six-month Period)	6
Consolidated Quarterly Statement of Comprehensive Income	
(For the Six-month Period)	7
(3) Consolidated Quarterly Statement of Cash Flows	8
(4) Notes to Consolidated Quarterly Financial Statements	10
Going Concern Assumption	10
Precaution Concerning Significant Changes in Shareholders' Equity	10
Segment and Other Information	11
Information Concerning Revenue Recognition	13

1. Qualitative Information on Consolidated Quarterly Financial Performance

(1) Explanation of Results of Operations

Six Months Ended June 30, 2023 (January 1, 2023 – June 30, 2023)

Millions of yen, %

Operating segment	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)		2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)		YoY change	
	Amount	% comp.	Amount	% comp.	Amount	%
Cosmetics	105,588	80.8	117,021	81.1	11,433	10.8
Cosmetaries	24,159	18.5	26,246	18.2	2,087	8.6
Others	856	0.7	1,027	0.7	171	20.0
Total net sales	130,604	100.0	144,295	100.0	13,691	10.5

	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)		2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)		YoY change	
	Amount	% of sales	Amount	% of sales	Amount	%
Operating profit	7,209	5.5	10,420	7.2	3,211	44.5
Ordinary profit	15,158	11.6	14,062	9.7	(1,096)	(7.2)
Profit attributable to owners of parent	8,883	6.8	8,697	6.0	(185)	(2.1)

In the first half of 2023 (January 1, 2023 to June 30, 2023), the Japanese government downgraded the classification of COVID-19 to Category 5 – Common Infectious Disease in May. The Japanese economy continues to recover slowly due to increasing personal consumption mainly on services such as dining out and travel, as well as increased demand from foreign tourists, which has been boosted by the effects of a weaker Japanese yen.

The primary markets for the KOSÉ Group outside Japan are Asia and the United States. Although the China's economy is beginning to recover, the rate of economic growth is slowing as consumer spending loses momentum due to a downturn in the labor market and the increasing tendency of consumers to save. Economic growth was steady in other regions of Asia. In the United States, the labor market and consumer spending are strong but there are concerns about the possibility of an economic downturn caused by rising interest rates and high inflation.

In the Japanese cosmetics market, sales have increased because the end of the requirement to wear a face mask has sparked a big rebound in demand for cosmetics. Furthermore, foreign tourists are again contributing to a recovery of cosmetics demand in Japan. As a result, there are expectations for a broad-based recovery of the cosmetics market. In cosmetics markets in Asia, demand in China was slow to recover at the beginning of the fiscal year due to the resurgence of the COVID-19 pandemic. However it gradually recovered thereafter. In other regions of Asia, sales of cosmetics are steady overall, although there are weaknesses in some areas. The United States cosmetics market is growing steadily with the support of firm consumer spending. However, there are concerns about the negative impact of high interest rates and inflation on consumer spending.

The KOSÉ Group continued to make progress with activities based on the VISION2026 medium to long-term vision that has the goal of becoming a company with a global presence. In 2023, these activities advanced to the second year with the goal of increasing KOSÉ's global presence and improving the customer experience. In accordance with basic strategies for accomplishing this vision, the KOSÉ Group is concentrating on the growth of business activities on a global scale, expansion to cover more business domains and customer segments, more and better use of digital communications, and the establishment of a management framework capable of supporting growth.

In the first half of 2023, there was a decline in sales in South Korea as travel retailers held down purchases of merchandise. However, sales were driven by the high prestige brand products sold at department stores and specialty cosmetics stores in Japan and by Tarte, which sells products mainly in the United States and Europe. Sales increased 10.5% from the same period of 2022 to 144,295 million yen (up 7.1% after excluding the effects of changes in foreign exchange rates). Overseas sales were 39.3% of total sales.

Operating profit increased 44.5% from the same period of 2022 to 10,420 million yen due to a lower cost of sales rate. However due to a decrease in foreign exchange gains, ordinary profit decreased 7.2% to 14,062 million yen and profit attributable to owners of parent decreased 2.1% to 8,697 million yen.

In the cosmetics business segment, sales in the high prestige category remained strong for DECORTÉ products in Japan, although sales were sluggish in South Korea. Sales of JILL STUART and ADDICTION makeup products increased. At Tarte, sales of major products and new products were both contributed to higher sales.

Sales of SEKKISEI and ONE BY KOSÉ, KOSÉ's flagship prestige brands, continue to recover. As a result, sales in the cosmetics business segment increased 10.8% from the same period of 2022 to 117,021 million yen and operating profit was up 17.0% to 11,662 million yen.

In the cosmetaries business segment, sales of Visée and KOSÉ Cosmeport Corp.'s brands including CLEAR TURN were higher. As a result, sales in this business segment increased 8.6% from the same period of 2022 to 26,246 million yen and operating profit was 1,153 million yen compared with a loss of 563 million yen one year earlier.

Sales of amenity products to hotels and golf clubs increased. As a result, sales in the others business segment increased 20.0% from the same period of 2022 to 1,027 million yen. Operating profit decreased 3.1% to 441 million yen due to an increase in marketing expenses.

Net Sales by Region (Sales to Third Parties)

Millions of yen, %

	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)		2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)		YoY change	
	Amount	% comp.	Amount	% comp.	Amount	%
Japan	75,760	58.0	87,525	60.7	11,765	15.5
Asia	36,092	27.6	31,941	22.1	(4,150)	(11.5)
North America	16,514	12.6	21,670	15.0	5,156	31.2
Others	2,237	1.7	3,157	2.2	920	41.1
Total net sales	130,604	100.0	144,295	100.0	13,691	10.5

Japan

Sales of high prestige brand products at department stores and specialty cosmetics stores remained strong. At drug stores and other mass retail channels, sales of major prestige skincare brands are recovering. Demand for makeup brands was also strong. As a result, sales in Japan increased 15.5% to 87,525 million yen.

Asia

In China, sales were held down by the delay in the recovery of demand early in 2023 but there was a recovery in sales in offline channels, chiefly department stores. In the e-commerce category, sales during the 618 (June 18) e-commerce shopping festival were higher than one year earlier but the accumulated sales were sluggish and sales were decreased in the travel retail sector. In South Korea, sales significantly decreased in the travel retail sector as distributors held down purchases of merchandise. As a result, sales in Asia decreased 11.5% to 31,941 million yen.

North America/Others

In North America, sales at Tarte increased due to the launch of new products backed by successful promotions on SNS. In addition, the increasing number of stores that sell Tarte products and the impact of the yen's depreciation contributed to the growth of sales. As a result, sales in North America increased 31.2% to 21,670 million yen. Sales in the "others" region (including Europe) increased 41.1% to 3,157 million yen driven by strong sales of Tarte products.

(2) Explanation of Consolidated Forecast and Other Forward-looking Statements

There are no revisions to the full-year earnings forecast announced on February 13, 2023.

2. Consolidated Quarterly Financial Statements and Notes**(1) Consolidated Quarterly Balance Sheet***Millions of yen*

	2022 (As of Dec. 31, 2022)	2Q 2023 (As of Jun. 30, 2023)
Assets		
Current assets		
Cash and deposits	116,535	126,210
Notes and accounts receivable-trade	52,451	42,755
Merchandise and finished goods	37,165	41,374
Work in process	2,853	3,494
Raw materials and supplies	29,058	27,910
Other	7,080	7,355
Allowance for doubtful accounts	(664)	(344)
Total current assets	244,481	248,757
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,458	52,600
Accumulated depreciation	(26,042)	(27,089)
Buildings and structures, net	26,415	25,511
Machinery, equipment and vehicles	22,161	22,453
Accumulated depreciation	(17,226)	(17,777)
Machinery, equipment and vehicles, net	4,934	4,676
Tools, furniture and fixtures	45,920	47,136
Accumulated depreciation	(39,666)	(40,623)
Tools, furniture and fixtures, net	6,254	6,513
Land	17,363	17,336
Leased assets	10,431	11,315
Accumulated depreciation	(2,299)	(2,785)
Leased assets, net	8,132	8,529
Construction in progress	824	340
Total property, plant and equipment	63,923	62,908
Intangible assets		
Software	4,619	5,321
Goodwill	4,356	4,231
Other	5,474	5,410
Total intangible assets	14,450	14,962
Investments and other assets		
Investment securities	17,979	17,670
Retirement benefit asset	10,296	10,578
Deferred tax assets	4,524	4,128
Other	4,560	4,888
Allowance for doubtful accounts	(616)	(682)
Total investments and other assets	36,745	36,583
Total non-current assets	115,119	114,454
Total assets	359,600	363,211

Millions of yen

	2022 (As of Dec. 31, 2022)	2Q 2023 (As of Jun. 30, 2023)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	7,913	9,805
Electronically recorded obligations-operating	18,383	18,816
Short-term borrowings	1,361	500
Lease obligations	828	1,097
Accounts payable-other	15,872	10,592
Accrued expenses	10,919	8,981
Income taxes payable	3,287	3,067
Accrued consumption taxes	1,476	1,612
Refund liabilities	5,533	5,064
Other	2,004	2,618
Total current liabilities	67,580	62,155
Non-current liabilities		
Lease obligations	7,793	8,562
Deferred tax liabilities	4,416	4,325
Other	4,462	4,786
Total non-current liabilities	16,671	17,674
Total liabilities	84,251	79,830
Net assets		
Shareholders' equity		
Share capital	4,848	4,848
Capital surplus	62	123
Retained earnings	240,147	244,851
Treasury shares	(9,082)	(9,073)
Total shareholders' equity	235,975	240,749
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,766	6,101
Foreign currency translation adjustment	10,770	14,953
Remeasurements of defined benefit plans	5,480	5,135
Total accumulated other comprehensive income	23,017	26,190
Non-controlling interests	16,356	16,441
Total net assets	275,349	283,381
Total liabilities and net assets	359,600	363,211

(2) Consolidated Quarterly Statements of Income and Comprehensive Income**Consolidated Quarterly Statement of Income
(For the Six-month Period)**

	<i>Millions of yen</i>	
	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)	2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)
Net sales	130,604	144,295
Cost of sales	38,907	41,112
Gross profit	91,696	103,183
Selling, general and administrative expenses		
Advertising expenses	10,086	12,467
Promotion expenses	20,715	21,884
Freight and packing costs	7,831	9,331
Salaries and allowances	24,231	25,169
Retirement benefit expenses	147	106
Legal welfare expenses	3,876	4,040
Depreciation	2,265	2,521
Other	15,332	17,241
Total selling, general and administrative expenses	84,487	92,762
Operating profit	7,209	10,420
Non-operating income		
Interest income	94	656
Dividend income	177	174
Refunded consumption taxes	379	290
Foreign exchange gains	6,642	2,392
Miscellaneous income	837	320
Total non-operating income	8,130	3,834
Non-operating expenses		
Interest expenses	29	9
Provision of allowance for doubtful accounts	48	67
Loss on investments in investment partnerships	75	35
Miscellaneous loss	29	81
Total non-operating expenses	181	193
Ordinary profit	15,158	14,062
Extraordinary income		
Gain on sale of non-current assets	124	18
Total extraordinary income	124	18
Extraordinary losses		
Loss on disposal of non-current assets	105	75
Impairment loss	79	36
Loss on valuation of shares of subsidiaries and associates	12	3
Loss on liquidation of business	-	330
Extra retirement payments	164	-
Total extraordinary losses	362	444
Profit before income taxes	14,921	13,636
Income taxes-current	4,680	3,952
Income taxes-deferred	992	701
Total income taxes	5,672	4,654
Profit	9,248	8,981
Profit attributable to non-controlling interests	364	283
Profit attributable to owners of parent	8,883	8,697

Consolidated Quarterly Statement of Comprehensive Income
(For the Six-month Period)

	<i>Millions of yen</i>	
	2Q 2022	2Q 2023
	(Jan. 1, 2022 – Jun. 30, 2022)	(Jan. 1, 2023 – Jun. 30, 2023)
Profit	9,248	8,981
Other comprehensive income		
Valuation difference on available-for-sale securities	(583)	(660)
Foreign currency translation adjustment	8,124	4,214
Remeasurements of defined benefit plans, net of tax	(302)	(360)
Total other comprehensive income	7,238	3,193
Comprehensive income	16,487	12,175
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,040	11,870
Comprehensive income attributable to non-controlling interests	446	305

(3) Consolidated Quarterly Statement of Cash Flows*Millions of yen*

	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)	2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)
Cash flows from operating activities		
Profit before income taxes	14,921	13,636
Depreciation	4,630	4,629
Impairment loss	79	36
Amortization of goodwill	448	491
Loss on liquidation of business	-	330
Extra retirement payments	164	-
Increase (decrease) in allowance for doubtful accounts	43	(263)
Decrease (increase) in retirement benefit asset	(699)	(476)
Loss (gain) on disposal of non-current assets	(19)	56
Interest and dividend income	(271)	(831)
Interest expenses	29	9
Foreign exchange losses (gains)	(3,693)	(715)
Loss on valuation of shares of subsidiaries and associates	12	3
Loss (gain) on investment in partnerships	75	35
Decrease (increase) in trade receivables	2,169	10,339
Decrease (increase) in inventories	(6,316)	(1,793)
Increase (decrease) in trade payables	615	2,472
Increase (decrease) in refund liabilities	(1,179)	(732)
Decrease (increase) in other assets	436	95
Increase (decrease) in other liabilities	(5,824)	(6,212)
Subtotal	5,621	21,111
Interest and dividend income received	251	810
Interest expenses paid	(33)	(12)
Extra retirement payments	(698)	-
Income taxes paid	(2,754)	(4,511)
Net cash provided by (used in) operating activities	2,385	17,398
Cash flows from investing activities		
Payments into time deposits	(15,331)	(14,423)
Proceeds from withdrawal of time deposits	11,907	13,840
Purchase of property, plant and equipment	(1,357)	(2,334)
Proceeds from sales of property, plant and equipment	210	80
Purchase of intangible assets	(1,109)	(1,308)
Proceeds from sale of intangible assets	1	-
Purchase of investment securities	(1,248)	(671)
Loan advances	(1)	(59)
Collection of loans receivable	0	0
Decrease (increase) in other investments	144	(359)
Net cash provided by (used in) investing activities	(6,784)	(5,236)

Millions of yen

	2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)	2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,540	(1,042)
Net decrease (increase) in treasury shares	(1)	(0)
Repayments of long-term borrowings	-	(98)
Cash dividends paid	(3,422)	(3,993)
Cash dividends paid to non-controlling shareholders	(190)	(219)
Other, net	(301)	(86)
Net cash provided by (used in) financing activities	(1,375)	(5,440)
Effect of exchange rate change on cash and cash equivalents	5,316	2,324
Net increase (decrease) in cash and cash equivalents	(457)	9,045
Cash and cash equivalents at beginning of period	81,876	94,063
Cash and cash equivalents at end of period	81,418	103,109

(4) Notes to Consolidated Quarterly Financial Statements

Going Concern Assumption

Not applicable.

Precaution Concerning Significant Changes in Shareholders' Equity

Not applicable.

Segment and Other Information**Segment Information**

I. 2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)

1. Information related to net sales and profit or loss for each reportable segment

Millions of yen

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated quarterly statement of income (Note 3)
	Cosmetics	Cosmetaries	Subtotal				
Net sales							
(1) Sales to third parties	105,588	24,159	129,747	856	130,604	-	130,604
(2) Intragroup sales and transfers	-	-	-	210	210	(210)	-
Total sales	105,588	24,159	129,747	1,067	130,815	(210)	130,604
Segment profit (loss)	9,965	(563)	9,402	455	9,857	(2,647)	7,209

Notes: 1. The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

2. Adjustments to segment profit (loss) are as follows.

Millions of yen

Eliminations for intersegment transactions	(116)
Corporate expenses that cannot be allocated to reportable segments	(2,531)

Corporate expenses consist primarily of expenses related to the administration division at KOSÉ and expenses for basic research that are not assigned to any particular reportable segment.

3. Segment profit (loss) is adjusted with operating profit shown on the consolidated quarterly statement of income.

2. Information related to impairment losses on non-current assets and goodwill, etc. for each reportable segment

No significant items in 2Q 2022.

3. Geographic sales information

Millions of yen

Japan	Asia	North America	Other	Total
75,760	36,092	16,514	2,237	130,604

II. 2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)

1. Information related to net sales and profit for each reportable segment

Millions of yen

	Reportable segment			Other (Note 1)	Total	Adjustment (Note 2)	Amounts shown on consolidated quarterly statement of income (Note 3)
	Cosmetics	Cosmetaries	Subtotal				
Net sales							
(1) Sales to third parties	117,021	26,246	143,268	1,027	144,295	-	144,295
(2) Intragroup sales and transfers	-	-	-	234	234	(234)	-
Total sales	117,021	26,246	143,268	1,262	144,530	(234)	144,295
Segment profit	11,662	1,153	12,816	441	13,257	(2,836)	10,420

Notes: 1 The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

2. Adjustments to segment profit are as follows.

Millions of yen

Eliminations for intersegment transactions	37
Corporate expenses that cannot be allocated to reportable segments	(2,873)

Corporate expenses consist primarily of expenses related to the administration division at KOSÉ and expenses for basic research that are not assigned to any particular reportable segment.

3. Segment profit is adjusted with operating profit shown on the consolidated quarterly statement of income.

2. Information related to impairment losses on non-current assets and goodwill, etc. for each reportable segment

No significant items in 2Q 2023.

3. Geographic sales information

Millions of yen

Japan	Asia	North America	Other	Total
87,525	31,941	21,670	3,157	144,295

Information Concerning Revenue Recognition

Division of sales

The KOSÉ Group has two reportable segments: cosmetics and cosmetaries. These are business units where the Board of Directors performs periodic studies in order to determine the allocation of resources and evaluate performance. The revenue of these two businesses is presented as sales. In addition, geographic sales are divided according to the locations of customers. The relationship between these geographic divisions of revenue and segment sales is as follows.

2Q 2022 (Jan. 1, 2022 – Jun. 30, 2022)

Millions of yen

	Japan	Asia	North America	Other	Total
Cosmetics	51,404	35,431	16,514	2,237	105,588
Cosmetaries	23,499	660	-	-	24,159
Total	74,904	36,091	16,514	2,237	129,747
Other (Note)	752	0	-	-	752
Revenue from contracts with customers	75,656	36,092	16,514	2,237	130,500
Other revenue	103	-	-	-	103
Sales to third parties	75,760	36,092	16,514	2,237	130,604

Note: The "other" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

2Q 2023 (Jan. 1, 2023 – Jun. 30, 2023)

Millions of yen

	Japan	Asia	North America	Others	Total
Cosmetics	60,875	31,325	21,670	3,149	117,021
Cosmetaries	25,623	615	-	8	26,246
Total	86,499	31,940	21,670	3,157	143,268
Others (Note)	922	1	-	-	924
Revenue from contracts with customers	87,421	31,941	21,670	3,157	144,192
Other revenue	103	-	-	-	103
Sales to third parties	87,525	31,941	21,670	3,157	144,295

Note: The "others" segment consists of activities that are not included in any of the reportable segments: amenity products, etc.

Note: This is a translation of Japanese Kessan Tanshin (including attachments), a summary of financial statements prepared in accordance with accounting principles generally accepted in Japan. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.