Consolidated Financial Results for the Six Months Ended November 30, 2023 (Under Japanese GAAP)

Company name: Toyo Denki Seizo K.K. Listing: Tokyo Stock Exchange

Securities code: 6505

URL: https://www.toyodenki.co.jp

Representative: Akira Watanabe, President, Representative Director

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Scheduled date to file quarterly securities report: January 12, 2024

Scheduled date to commence dividend payments:

Preparation of supplementary material on quarterly financial results:

Holding of quarterly financial results briefing:

Yes
Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales Operating profit			Ordinary profit Profit attributate owners of par			able to	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended November 30, 2023	14,817	7.2	187	-	556	181.7	318	-
November 30, 2022	13,821	(6.6)	(80)	-	197	-	26	(85.7)

Note: Comprehensive income For the six months ended November 30, 2023: ¥923 million [9.8%] For the six months ended November 30, 2022: ¥841 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended November 30, 2023	33.80	-
November 30, 2022	2.98	-

(2) Consolidated financial position

Reference: Equity

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of November 30, 2023	50,060	25,223	50.4
May 31, 2023	49,682	24,582	49.5

As of November 30, 2023: ¥25,223 million As of May 31, 2023 ¥24,582 million

2. Cash dividends

	Annual dividends per share						
	First quarter-end Second quarter-end		Third quarter-end	Fiscal year-end	Total		
	Yen	Yen	Yen	Yen	Yen		
Fiscal year ended May 31, 2023	-	0.00	-	30.00	30.00		
Fiscal year ending May 31, 2024	-	0.00					
Fiscal year ending May 31, 2024 (Forecast)			-	30.00	30.00		

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated financial results forecast for the fiscal year ending May 31, 2024 (from June 1, 2023 to May 31, 2024)

(Percentages indicate year-on-year changes.)

	Net	sales	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	0/0	Millions of yen	0/0	Millions of yen	%	Yen
Fiscal year ending May 31, 2024	34,500	11.2	600	15.9	950	(3.8)	800	(3.0)	84.81

Note: Revisions to the financial results forecast most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

Newly included: - companies (Company name) Excluded: - companies (Company name)

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
 - (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)
 - (i) Total number of issued shares at the end of the period (including treasury shares)

As of November 30, 2023	9,735,000 shares
As of May 31, 2023	9,735,000 shares

(ii) Number of treasury shares at the end of the period

As of November 30, 2023	302,253 shares
As of May 31, 2023	301,843 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended November 30, 2023	9,433,021 shares
Six months ended November 30, 2022	8,940,204 shares

- * Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.
- * Proper use of earnings forecasts, and other special matters (Note on forward-looking statements)
 - The above forecasts are based on information available as of the date of publication of this document, and actual results may differ from the forecasts due to various factors in the future. Please refer to "Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the Attachment for details of the financial results forecast (available in Japanese only).
- * This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

(1) Quarterly Consolidated Balance Sheets

		(Millions of yen)
	As of May 31, 2023	As of November 30, 2023
Assets		
Current assets		
Cash and deposits	5,520	4,845
Notes and accounts receivable - trade, and contract assets	13,236	12,719
Electronically recorded monetary claims - operating	1,116	1,563
Merchandise and finished goods	376	528
Work in process	3,106	3,302
Raw materials and supplies	2,836	2,938
Advance payments to suppliers	22	13
Accounts receivable	162	46
Other	370	437
Allowance for doubtful accounts	(10)	(51)
Total current assets	26,738	26,343
Non-current assets		
Property, plant and equipment		
Buildings and structures	9,952	9,966
Accumulated depreciation	(6,340)	(6,477)
Buildings and structures, net	3,611	3,489
Machinery, equipment and vehicles	8,208	8,225
Accumulated depreciation	(7,860)	(7,909)
Machinery, equipment and vehicles, net	348	315
Land	1,269	1,269
Construction in progress	11	16
Other	5,138	5,131
Accumulated depreciation	(4,678)	(4,607)
Other, net	459	524
Total property, plant and equipment	5,701	5,615
Intangible assets		- 7
Software	63	88
Other	13	35
Total intangible assets	77	123
Investments and other assets		
Investment securities	14,288	14,936
Deferred tax assets	108	-
Other	2,775	3,043
Allowance for doubtful accounts	(7)	(2)
Total investments and other assets	17,165	17,976
Total non-current assets	22,943	23,716
Total assets	49,682	50,060
10111 103013	47,082	50,000

(Millions of yen)

Electronically recorded obligations - operating 4,768 4,545 Short-term borrowings 885 855 Accrued expenses 589 758 Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 34 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for loss on orders received 989 727 Provision for pose on orders received 989 727 Provision for Jose on orders received 989 727 Provision		As of May 31, 2023	As of November 30, 2023
Notes and accounts payable - trade 2,060 2,108 Electronically recorded obligations - operating 4,768 4,454 Short-term borrowings 589 758 Accrued expenses 589 758 Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for bonuses 673 678 Provision for bonuses 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term accounts payable - other 30 34 Deferred ax liabilities 10,288 10,025 Retirement benefit liability 4,075 4,117	Liabilities		
Electronically recorded obligations - operating 4,768 4,454 Short-term borrowings 885 855 Accrued expenses 589 758 Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses for directors (and other officers) 39 727 Provision for loss on orders received 989 727 Provision for loss on orders received 989 727 Provision for poduct warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term borrowings 10,288 10,025 Retirement benefit liability 4,075 4,117 Other 4 4	Current liabilities		
Short-term borrowings 885 855 Accrued expenses 589 758 Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total liabilities 14,399 14,405 Total ilabilities 3,177	Notes and accounts payable - trade	2,060	2,108
Accrued expenses 589 758 Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for poduct warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total sibilities 3,177 3,177 Share capital 4,998 4,998 Capital surplus 3,177 3,177 <	Electronically recorded obligations - operating	4,768	4,454
Income taxes payable 128 138 Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for loss on orders received 989 727 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total liabilities 25,099 24,837 Not assets 8 4,998 Capital liabilities 3,177 3,1	Short-term borrowings	885	855
Accrued consumption taxes 94 61 Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total liabilities 14,399 14,405 Total liabilities 3,177 3,177 3,177 Retained carnings 11,347 13,383 Teasury shares<	Accrued expenses	589	758
Contract liabilities 84 113 Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for bonuses 673 678 Provision for bonuses 673 678 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total non-current liabilities 11,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Share capital 4,998 4,998 4,998 <t< td=""><td>Income taxes payable</td><td>128</td><td>138</td></t<>	Income taxes payable	128	138
Deposits received 189 180 Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for loss on orders received 989 727 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total inon-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Share capital 4,998 4,998 4,998 Capital surplus 3,177 3,177 3,177 Retained earnings 11,347 11,383 </td <td>Accrued consumption taxes</td> <td>94</td> <td>61</td>	Accrued consumption taxes	94	61
Provision for bonuses for directors (and other officers) 39 15 Provision for bonuses 673 678 Provision for loss on orders received 989 727 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Share capital 4,998 4,998 4,998 Capital surplus 3,177 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares 4,486 4,487	Contract liabilities	84	113
Provision for bonuses 673 678 Provision for loss on orders received 989 727 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares 4486 4870 Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 <td>Deposits received</td> <td>189</td> <td>180</td>	Deposits received	189	180
Provision for loss on orders received 989 727 Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total inon-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Share capital 4,998 4,998 4,998 Capital surplus 3,177 3,177 3,177 3,177 3,177 3,177 3,177 3,173 3,173 3,173 3,177 3,173 3,177 3,173 3,177 3,173 3,177 3,173 3,177 3,173 3,173	Provision for bonuses for directors (and other officers)	39	15
Provision for product warranties 70 112 Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 3,177 3,177 3,177 Retained earnings 11,347 11,383 11,347 11,383 17 1,383 17 1,383 1,762 1,972 2,483 2,593 2,899 2,599 2,283 2,599 2,589 2,599 2,589 2,599 2,589 3,177 3,177 3,177 3,177 3,177 3,177 <	Provision for bonuses	673	678
Other 127 230 Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 3,177 Retained earnings 11,347 11,338 11,347 11,383 Treasury shares 4,486 4,879 4,870 Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans 26) 1,44 Total accumu	Provision for loss on orders received	989	727
Total current liabilities 10,699 10,431 Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets 8 4,998 4,998 Share capital 4,998 4,998 4,998 Capital surplus 3,177 3,177 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) 4,997 4,997 4,997 4,997 4,997 4,997 4,997 4,997 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998 4,998	Provision for product warranties	70	112
Non-current liabilities 10,288 10,025 Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total net assets 24,582 25,223	Other	127	230
Long-term borrowings 10,288 10,025 Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Total current liabilities	10,699	10,431
Long-term accounts payable - other 30 34 Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Shareholders' equity Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Non-current liabilities		
Deferred tax liabilities - 222 Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets *** *** Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Long-term borrowings	10,288	10,025
Retirement benefit liability 4,075 4,117 Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Long-term accounts payable - other	30	34
Other 4 4 Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Shareholders' equity Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Deferred tax liabilities	-	222
Total non-current liabilities 14,399 14,405 Total liabilities 25,099 24,837 Net assets Shareholders' equity Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Retirement benefit liability	4,075	4,117
Total liabilities 25,099 24,837 Net assets Share holders' equity Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income Valuation difference on available-for-sale securities 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Other	4	4
Net assets Shareholders' equity 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Total non-current liabilities	14,399	14,405
Shareholders' equity 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income Valuation difference on available-for-sale securities 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Total liabilities	25,099	24,837
Share capital 4,998 4,998 Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Net assets		
Capital surplus 3,177 3,177 Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income Valuation difference on available-for-sale securities 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Shareholders' equity		
Retained earnings 11,347 11,383 Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Share capital	4,998	4,998
Treasury shares (486) (487) Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income Valuation difference on available-for-sale securities 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Capital surplus	3,177	3,177
Total shareholders' equity 19,036 19,072 Accumulated other comprehensive income Valuation difference on available-for-sale securities 5,370 5,899 Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Retained earnings	11,347	11,383
Accumulated other comprehensive income Valuation difference on available-for-sale securities Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Treasury shares	(486)	(487)
Valuation difference on available-for-sale securities5,3705,899Foreign currency translation adjustment202266Remeasurements of defined benefit plans(26)(14)Total accumulated other comprehensive income5,5466,151Total net assets24,58225,223	Total shareholders' equity	19,036	19,072
Foreign currency translation adjustment 202 266 Remeasurements of defined benefit plans (26) (14) Total accumulated other comprehensive income 5,546 6,151 Total net assets 24,582 25,223	Accumulated other comprehensive income		
Remeasurements of defined benefit plans(26)(14)Total accumulated other comprehensive income5,5466,151Total net assets24,58225,223	Valuation difference on available-for-sale securities	5,370	5,899
Total accumulated other comprehensive income5,5466,151Total net assets24,58225,223	Foreign currency translation adjustment	202	266
Total net assets 24,582 25,223	Remeasurements of defined benefit plans	(26)	(14)
	Total accumulated other comprehensive income	5,546	6,151
	Total net assets	24,582	25,223
10tal habilities alid het assets 49,062 50,000	Total liabilities and net assets	49,682	50,060

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income Quarterly Consolidated Statement of Income Six months ended November 30, 2023

		(Millions of yen)
	Six months ended	Six months ended
	November 30, 2022	November 30, 2023
	(from June 1, 2022	(from June 1, 2023 to
	to November 30, 2022)	November 30, 2023)
Net sales	13,821	14,817
Cost of sales	10,613	11,054
Gross profit	3,208	3,762
Selling, general and administrative expenses	3,288	3,575
Operating profit (loss)	(80)	187
Non-operating income		
Interest income	0	0
Dividend income	123	113
Share of profit of entities accounted for using equity method	89	209
Foreign exchange gains	77	57
Miscellaneous income	18	24
Total non-operating income	310	405
Non-operating expenses		
Interest expenses	26	24
Miscellaneous losses	5	12
Total non-operating expenses	32	36
Ordinary profit	197	556
Extraordinary income		
Gain on sale of investment securities	405	158
Gain on sale of non-current assets	150	<u>-</u>
Total extraordinary income	556	158
Extraordinary loss		
Business structural reform expenses	478	191
Total extraordinary losses	478	191
Profit before income taxes	275	523
Income taxes - current	185	99
Income taxes - deferred	63	105
Total income taxes	249	204
Profit	26	318
Profit attributable to owners of parent	26	318

Quarterly Consolidated Statement of Comprehensive Income Six months ended November 30, 2023

		(Millions of yen)
	Six months ended	Six months ended
	November 30, 2022	November 30, 2023
	(from June 1, 2022 to November 30, 2022)	(from June 1, 2023 to November 30, 2023)
Profit	26	318
Other comprehensive income		
Valuation difference on available-for-sale securities	642	528
Remeasurements of defined benefit plans, net of tax	12	11
Share of other comprehensive income of entities accounted for using the equity method	160	64
Total other comprehensive income	815	605
Comprehensive income	841	923
Comprehensive income attributable to:	<u> </u>	
Owners of parent	841	923
Non-controlling interests	-	-

(3) Quarterly Consolidated Statement of Cash Flows

Profit before income tuxes		Six months ended November 30, 2022 (from June 1, 2022 to November 30, 2022)	(Millions of yen) Six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)
Depreciation 396 349 Increase (decrease) in allowance for doubtful accounts 0 37 Increase (decrease) in provision for bonuses 14 4 Increase (decrease) in retirement benefit liability 44 41 Increase (decrease) in revision for loss on orders received (94 (261) Interest and dividend income (124 (113) Interest expenses 26 24 Share of loss (profit) of entities accounted for using equity method (89 (209) Loss (gain) on sale of property, plant and equipment (150) (158) Business structural reform expenses 478 191 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in trade payables (652) (451) Increase (decrease) in provision for product warrantics 7 (41) Increase (decrease) in provision for product warrantics 17 28 Increase (decrease) in accrued consumption taxes (39 (33) (33) (33) Other (133) (152) Subtotal (1511) (163) Interest paid (266) (24) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (1,711) (101) Purchases of property, plant and equipment (266 0 0 0 0 0 0 0 0 0	Cash flows from operating activities	, ,	, ,
Increase (decrease) in provision for bountes	Profit before income taxes	275	523
Increase (decrease) in provision for bonuses	Depreciation	396	349
Increase (decrease) in retirement benefit liability	Increase (decrease) in allowance for doubtful accounts	0	37
Increase (decrease) in provision for loss on orders received (194) (113) (1145	Increase (decrease) in provision for bonuses	(14)	4
Interest and dividend income (124) (113) Interest expenses 26 24 Share of loss (profit) of entities accounted for using equity method (89) (209) Loss (gain) on sale of property, plant and equipment (150) (-150) Loss (gain) on sale of investment securities (405) (158) Business structural reform expenses 478 191 Decrease (increase) in inventories (652) (451) Decrease (increase) in inventories (652) (451) Increase (decrease) in inventories 7 41 Increase (decrease) in ovintoriat liabilities 7 41 Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) <td>Increase (decrease) in retirement benefit liability</td> <td>44</td> <td>41</td>	Increase (decrease) in retirement benefit liability	44	41
Interest expenses 26	Increase (decrease) in provision for loss on orders received	(94)	(261)
Share of loss (profit) of entities accounted for using equity method (89) (209) Loss (gain) on sale of property, plant and equipment (150) Loss (gain) on sale of investment securities (405) (158) Business structural reform expenses 478 191 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in inventories (652) (451) Increase (decrease) in inventories 652) (451) Increase (decrease) in trade payables 41 (266) Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued expenses 112 123<	Interest and dividend income	(124)	(113)
method (89) (209) Loss (gain) on sale of property, plant and equipment (150) - Loss (gain) on sale of investment securities (405) (1588) Business structural reform expenses 478 191 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in inventories (652) (4511) Increase (decrease) in inventories 41 (266) Increase (decrease) in provision for product warranties 7 41 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Purchases of property, plant and equipment 266 0 Purchases of property, plant and equipment 266 0	Interest expenses	26	24
Loss (gain) on sale of investment securities (405) (158) Business structural reform expenses 478 191 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in inventories (652) (451) Increase (decrease) in trade payables 41 (266) Increase (decrease) in rontract liabilities 7 41 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266		(89)	(209)
Business structural reform expenses 478 191 Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in intrade receivables (652) (451) Increase (decrease) in intrade payables 41 (266) Increase (decrease) in provision for product warranties 7 41 Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest and dividends received (26) (24) Income taxes refind (paid) (297) 37 Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities "The proceeds from sale of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchase of intangible assets (13 (60)	Loss (gain) on sale of property, plant and equipment	(150)	-
Decrease (increase) in trade receivables (1,201) 70 Decrease (increase) in inventories (652) (451) Increase (decrease) in trade payables 41 (266) Increase (decrease) in provision for product warranties 7 41 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchases of investing activities (137) (139) Proceeds from sale of investment securities (30) (61) Other (50) (61)	Loss (gain) on sale of investment securities	(405)	(158)
Decrease (increase) in inventories (652) (451) Increase (decrease) in trade payables 41 (266) Increase (decrease) in provision for product warranties 7 41 Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (137) (139) Purchases of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchase of intangible assets (7) (7) Other (50) (61) Net ash provided by (used in) investing activities 622 268	Business structural reform expenses	478	191
Increase (decrease) in trade payables 41 (266) Increase (decrease) in provision for product warranties 7 41 Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchases of intestment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 680 0<	Decrease (increase) in trade receivables	(1,201)	70
Increase (decrease) in provision for product warranties	Decrease (increase) in inventories	(652)	(451)
Increase (decrease) in contract liabilities 17 28 Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (11) (101) Cash flows from investing activities (137) (139) Purchases of property, plant and equipment 266 0 Purchases of investment securities (7) (7) Proceeds from sale of property, plant and equipment 266 0 Purchases of investment securities (7) (7) (7) Proceeds from sale of property, plant and equipment 626 268 Other (50) (61) Net cash provided by (used in) investing activities 622 268 Other (50) (61) <t< td=""><td>Increase (decrease) in trade payables</td><td>41</td><td>(266)</td></t<>	Increase (decrease) in trade payables	41	(266)
Increase (decrease) in accrued expenses 105 169 Increase (decrease) in accrued consumption taxes (39) (33) Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (137) (139) Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment (26) (24) Purchase of intengible assets (13) (60) Purchase of investment securities (7) (7) Proceeds from sale of investment securities (50) (61) Other (50) (61) Net cash provided by (used in) investing activities 860 0 Cash flows from financing activities 1,200 - Repayments of long-term borrowings 1,200 -	` ' ' . ' .	7	41
Increase (decrease) in accrued consumption taxes	Increase (decrease) in contract liabilities	17	28
Other (133) (152) Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net eash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities Very cash provided by (used in) operating activities (137) (139) Purchases of property, plant and equipment (137) (139) (139) Proceeds from sale of property, plant and equipment 266 0 0 Purchases of investment securities (7) (7) (7) Proceeds from sale of investment securities 622 268 0 Other (50) (61) 0 0 Net cash provided by (used in) investing activities 680 0 0 Cash flows from financing activities 680 0 0 Repayments of long-term borrowings 1,200 - - Repayments of long-term borrowings (292) (292) (2		105	169
Subtotal (1,511) (163) Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities *** *** Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchases of intengible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 680 0 Cash flows from financing activities (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Other (1) (0) Other (1) (0)<			
Interest and dividends received 124 123 Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities (50) (61) Net increase (decrease) in short-term borrowings 1,200 - (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Other	(133)	(152)
Interest paid (26) (24) Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities Total cash property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchases of intensible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 680 0 Cash flows from financing activities (60) (61) Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Other (1) (0) Other (1) (0)	Subtotal	(1,511)	(163)
Income taxes refund (paid) (297) (37) Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (137) (139) Purchases of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 80 0 Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents 388	Interest and dividends received	124	123
Net cash provided by (used in) operating activities (1,711) (101) Cash flows from investing activities (137) (139) Purchases of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 680 0 Net increase (decrease) in short-tern borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Interest paid	(26)	(24)
Cash flows from investing activities Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 680 0 Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Income taxes refund (paid)	(297)	(37)
Purchases of property, plant and equipment (137) (139) Proceeds from sale of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 1,200 - Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Net cash provided by (used in) operating activities	(1,711)	(101)
Proceeds from sale of property, plant and equipment 266 0 Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities 1,200 - Net increase (decrease) in short-term borrowings (292) (292) Purchase of treasury shares (0) (0) Other (1) (0) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Cash flows from investing activities		
Purchase of intangible assets (13) (60) Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities - - Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Purchases of property, plant and equipment	(137)	(139)
Purchases of investment securities (7) (7) Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities - - Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Proceeds from sale of property, plant and equipment	266	0
Proceeds from sale of investment securities 622 268 Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities - - Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	-	(13)	(60)
Other (50) (61) Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities - Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520		(7)	(7)
Net cash provided by (used in) investing activities 680 0 Cash flows from financing activities Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Proceeds from sale of investment securities	622	268
Cash flows from financing activities Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Other	(50)	(61)
Net increase (decrease) in short-term borrowings 1,200 - Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520		680	0
Repayments of long-term borrowings (292) (292) Purchase of treasury shares (0) (0) Dividends paid (267) (282) Other (1) (0) Net cash provided by (used in) financing activities 637 (576) Effect of exchange rate change on cash and cash equivalents 4 2 Net increase (decrease) in cash and cash equivalents (388) (674) Cash and cash equivalents at beginning of period 4,449 5,520	Cash flows from financing activities		
Purchase of treasury shares(0)(0)Dividends paid(267)(282)Other(1)(0)Net cash provided by (used in) financing activities637(576)Effect of exchange rate change on cash and cash equivalents42Net increase (decrease) in cash and cash equivalents(388)(674)Cash and cash equivalents at beginning of period4,4495,520	· · · · · · · · · · · · · · · · · · ·	1,200	-
Dividends paid(267)(282)Other(1)(0)Net cash provided by (used in) financing activities637(576)Effect of exchange rate change on cash and cash equivalents42Net increase (decrease) in cash and cash equivalents(388)(674)Cash and cash equivalents at beginning of period4,4495,520		(292)	(292)
Other(1)(0)Net cash provided by (used in) financing activities637(576)Effect of exchange rate change on cash and cash equivalents42Net increase (decrease) in cash and cash equivalents(388)(674)Cash and cash equivalents at beginning of period4,4495,520	· · · · · · · · · · · · · · · · · · ·	(0)	
Net cash provided by (used in) financing activities637(576)Effect of exchange rate change on cash and cash equivalents42Net increase (decrease) in cash and cash equivalents(388)(674)Cash and cash equivalents at beginning of period4,4495,520	•	(267)	(282)
Effect of exchange rate change on cash and cash equivalents A 2 Net increase (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of period 4,449 5,520		(1)	(0)
Net increase (decrease) in cash and cash equivalents(388)(674)Cash and cash equivalents at beginning of period4,4495,520		637	(576)
Cash and cash equivalents at beginning of period 4,449 5,520	Effect of exchange rate change on cash and cash equivalents	4	2
	Net increase (decrease) in cash and cash equivalents	(388)	(674)
Cash and cash equivalents at end of period 4,061 4,845	Cash and cash equivalents at beginning of period	4,449	5,520
	Cash and cash equivalents at end of period	4,061	4,845

(4) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable

(Notes on Significant Changes in Shareholders' Equity)

Not applicable

(Segment Information, etc.)

[Segment Information]

Six months ended November 30, 2022 (from June 1, 2022 to November 30, 2022)

Information regarding net sales and profit (loss) by reporting segment

(Millions of yen)

	Rep	orting segmen	nts				Amount recorded on
	Transportation Business	Industry Business	ICT Solution Business	Other (Note 1)	Total	Adjustments (Note 2)	quarterly consolidated statement of income (Note 3)
Net sales							
Net sales to external customers	9,097	4,218	503	2	13,821	-	13,821
Intersegment sales and transfers	16	0	-	153	170	(170)	-
Total	9,113	4,219	503	155	13,991	(170)	13,821
Segment profit (loss)	1,196	(77)	121	(5)	1.236	(1,316)	(80)

Notes: 1 "Other" is a business segment that is not included in reporting segments, and includes the worker dispatching business.

- 2 Adjustments to segment profit (loss) of \(\frac{\pmathbf{\frac{4}}}{(1,316)}\) million are the elimination of intersegment transactions of \(\frac{\pmathbf{\frac{4}}}{(0)}\) million and corporate expenses of \(\frac{\pmathbf{\frac{4}}}{(1,316)}\) million that are not attributable to reporting segments. Corporate expenses are primarily general and administrative expenses as well as research and development expenses that are not attributable to reporting segments.
- 3 Segment profit (loss) has been adjusted with operating loss recorded on the quarterly consolidated statement of income.

Six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)

1. Information regarding net sales and profit (loss) by reporting segment

(Millions of yen)

	Rep	orting segmer	nts			Amount	
	Transportation Business	Industry Business	ICT Solution Business	Other	Total	Adjustments (Note 2)	recorded on quarterly consolidated statement of income (Note 3)
Net sales							
Net sales to external customers	9,541	4,788	483	3	14,817	-	14,817
Intersegment sales and transfers	8	9	-	159	176	(176)	-
Total	9,549	4,797	483	162	14,993	(176)	14,817
Segment profit (loss)	1,121	321	119	(1)	1,561	(1,374)	187

Notes: 1 "Other" is a business segment that is not included in reporting segments, and includes the worker dispatching business.

- 2 Adjustments to segment profit (loss) of \(\frac{\pmathbf{\f{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathr}\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathr}\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathbf{\frac{\pmathr}\f{\frac{\pmath}\f{\frac{\pmathr}\frac{\pmathr}\frac{\pmathr}\frac{
- 3 Segment profit (loss) has been adjusted with operating profit recorded on the quarterly consolidated statement of income.

3. Other

(1) Status of Production, Orders, and Sales

(i) Production status

	Six months ended N (from June 1, 2022 to	· · · · · · · · · · · · · · · · · · ·	Six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)		
Business segment	Amount (Millions of yen)	Share (%)	Amount (Millions of yen)	Share (%)	
Transportation Business	9,555	69.1	9,926	66.5	
Industry Business	3,927	28.4	4,769	31.9	
ICT Solution Business	337	2.4	232	1.6	
Other	-	-	-	-	
Total	13,820	100.0	14,928	100.0	

(Note) Amounts are based on sales prices.

(ii) Status of orders received

(II) Status of orders received						
	Six months ended N (from June 1, 2022 to	November 30, 2022 November 30, 2022)	Six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)			
Business segment	Orders received (Millions of yen)	Order backlog (Millions of yen)	Orders received (Millions of yen)	Order backlog (Millions of yen)		
Transportation Business	10,640	22,353	17,606	29,980		
Industry Business	5,757	7,739	4,961	7,323		
ICT Solution Business	670	432	364	310		
Other	2	-	3	-		
Total	17,070	30,524	22,935	37,614		

(Note) Amounts are based on sales prices.

(iii) Sales status

(III) Sales status					
	Six months ended N (from June 1, 2022 to	November 30, 2022 November 30, 2022)	Six months ended November 30, 2023 (from June 1, 2023 to November 30, 2023)		
Business segment	Amount (Millions of yen)	Share (%)	Amount (Millions of yen)	Share (%)	
Transportation Business	9,097	65.8	9,541	64.4	
Industry Business	4,218	30.5	4,788	32.3	
ICT Solution Business	503	3.6	483	3.3	
Other	2	0.0	3	0.0	
Total	13,821	100.0	14,817	100.0	