

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before income taxes	18,501	17,097
Depreciation and amortization	13,963	15,021
Increase (decrease) in allowance for doubtful accounts	△43	△133
Increase (decrease) in provision for product warranties	△40	△20
Interest and dividend income	△1,156	△1,068
Interest expenses	757	806
Foreign exchange losses (gains)	△207	104
Loss (gain) on sale of non-current assets	△90	△3
Loss (gain) on sale of investment securities	△247	—
Loss (gain) on disposal of non-current assets	87	230
Decrease (increase) in accounts receivable - trade, and contract assets	78,286	60,434
Decrease (increase) in inventories	△17,228	△15,096
Increase (decrease) in trade payables	△18,522	△31,925
Increase (decrease) in contract liabilities	24,882	△1,616
Other, net	△17,925	△7,916
Subtotal	81,017	35,914
Interest and dividends received	1,148	1,067
Interest paid	△768	△868
Income taxes paid	△15,153	△24,971
Net cash provided by (used in) operating activities	66,243	11,140
Cash flows from investing activities		
Purchase of property, plant and equipment	△26,065	△16,973
Proceeds from sale of property, plant and equipment	110	75
Purchase of intangible assets	△1,278	△2,979
Purchase of investment securities	△31	△22
Proceeds from sale of investment securities	260	—
Loan advances	△2,786	△6,743
Proceeds from collection of loans receivable	3,048	4,987
Other, net	△304	△60
Net cash provided by (used in) investing activities	△27,046	△21,716

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	583	△870
Increase (decrease) in commercial papers	△22,000	27,000
Proceeds from long-term loans borrowings	15,120	—
Repayments of long-term loans borrowings	△27,000	△5
Proceeds from issuance of bonds	10,000	—
Repayments of lease obligations	△5,652	△4,061
Purchase of treasury shares	△3	△4
Dividends paid	△10,712	△12,547
Dividends paid to non-controlling interests	△3,542	△1,301
Net cash provided by (used in) financing activities	△43,206	8,208
Effect of exchange rate changes on cash and cash equivalents	2,538	△1,392
Net increase (decrease) in cash and cash equivalents	△1,471	△3,759
Cash and cash equivalents at beginning of year	65,543	62,675
Increase in cash and cash equivalents resulting from change in scope of consolidation	1,205	—
Cash and cash equivalents at end of year	65,277	58,916