

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	55,294	40,512
Depreciation and amortization	27,430	30,314
Increase (decrease) in allowance for doubtful accounts	(123)	(353)
Increase (decrease) in provision for product warranties	(115)	24
Interest and dividend income	(1,352)	(1,314)
Interest expenses	1,594	1,603
Foreign exchange losses (gains)	96	198
Loss (gain) on sale of non-current assets	(100)	(14)
Loss (gain) on sale of investment securities	(16,612)	(62)
Loss (gain) on disposal of non-current assets	367	892
Impairment losses	—	405
Decrease (increase) in accounts receivable - trade, and contract assets	77,899	42,023
Decrease (increase) in inventories	(19,214)	(16,493)
Increase (decrease) in trade payables	(34,959)	(17,130)
Increase (decrease) in contract liabilities	32,044	(4,422)
Other, net	(16,884)	(13,565)
Subtotal	105,365	62,617
Interest and dividends received	1,365	1,322
Interest paid	(1,546)	(1,603)
Income taxes paid	(17,640)	(26,431)
Net cash provided by (used in) operating activities	87,543	35,904
Cash flows from investing activities		
Purchase of property, plant and equipment	(41,576)	(40,288)
Proceeds from sale of property, plant and equipment	135	161
Purchase of intangible assets	(2,887)	(5,956)
Purchase of investment securities	(122)	(43)
Proceeds from sale of investment securities	18,446	65
Loan advances	(2,958)	(10,386)
Proceeds from collection of loans receivable	3,508	10,639
Other, net	(311)	1,195
Net cash provided by (used in) investing activities	(25,765)	(44,612)

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	243	(1,140)
Increase (decrease) in commercial papers	(36,000)	25,000
Proceeds from long-term loans borrowings	15,111	—
Repayments of long-term loans borrowings	(28,005)	(12)
Proceeds from issuance of bonds	10,000	—
Repayments of lease obligations	(11,184)	(7,850)
Purchase of treasury shares	(11)	(9)
Purchase of treasury shares of subsidiaries	(10)	(13)
Dividends paid	(10,712)	(12,547)
Dividends paid to non-controlling interests	(3,542)	(1,301)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(787)
Net cash provided by (used in) financing activities	(64,110)	1,337
Effect of exchange rate changes on cash and cash equivalents	278	(251)
Net increase (decrease) in cash and cash equivalents	(2,053)	(7,622)
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	64,694	55,053