(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	17,097	32,407
Depreciation and amortization	15,021	15,118
Increase (decrease) in allowance for doubtful accounts	(133)	(151)
Increase (decrease) in provision for product warranties	(20)	5
Interest and dividend income	(1,068)	(1,806)
Interest expenses	806	653
Foreign exchange losses (gains)	104	(91)
Loss (gain) on sale of non-current assets	(3)	(18)
Loss (gain) on sale of investment securities	—	(6,965)
Loss (gain) on disposal of non-current assets	230	183
Decrease (increase) in accounts receivable - trade, and contract assets	60,434	85,150
Decrease (increase) in inventories	(15,096)	(21,019)
Increase (decrease) in trade payables	(31,925)	(26,772)
Increase (decrease) in contract liabilities	(1,616)	14,811
Other, net	(7,916)	(15,566)
Subtotal	35,914	75,936
Interest and dividends received	1,067	1,813
Interest paid	(868)	(717)
Income taxes paid	(24,971)	(25,514)
Net cash provided by (used in) operating activities	11,140	51,517
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,973)	(10,411)
Proceeds from sale of property, plant and equipment	75	157
Purchase of intangible assets	(2,979)	(3,383)
Purchase of investment securities	(22)	(33)
Proceeds from sale of investment securities	—	7,787
Loan advances	(6,743)	(5,652)
Proceeds from collection of loans receivable	4,987	5,801
Other, net	(60)	(1,418)
Net cash provided by (used in) investing activities	(21,716)	(7,152)

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(870)	43
Increase (decrease) in commercial papers	27,000	—
Repayments of long-term borrowings	(5)	(6)
Repayments of lease liabilities	(4,061)	(3,354)
Proceeds from sale of treasury shares	0	1
Purchase of treasury shares	(4)	(21,009)
Dividends paid	(12,547)	(16,089)
Dividends paid to non-controlling interests	(1,301)	(1,670)
Net cash provided by (used in) financing activities	8,208	(42,085)
Effect of exchange rate changes on cash and cash equivalents	(1,392)	1,290
Net increase (decrease) in cash and cash equivalents	(3,759)	3,570
Cash and cash equivalents at beginning of year	62,675	69,873
Cash and cash equivalents at end of year	58,916	73,443