

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	40,512	64,280
Depreciation and amortization	30,314	30,343
Increase (decrease) in allowance for doubtful accounts	(353)	556
Increase (decrease) in provision for product warranties	24	(19)
Interest and dividend income	(1,314)	(1,958)
Interest expenses	1,603	1,307
Foreign exchange losses (gains)	198	(212)
Loss (gain) on sale of non-current assets	(14)	(26)
Loss (gain) on sale of investment securities	(62)	(6,965)
Loss (gain) on disposal of non-current assets	892	306
Impairment losses	405	—
Decrease (increase) in accounts receivable - trade, and contract assets	42,023	58,224
Decrease (increase) in inventories	(16,493)	(28,625)
Increase (decrease) in trade payables	(17,130)	(17,015)
Increase (decrease) in contract liabilities	(4,422)	25,256
Other, net	(13,565)	(14,509)
Subtotal	62,617	110,943
Interest and dividends received	1,322	1,985
Interest paid	(1,603)	(1,313)
Income taxes paid	(26,431)	(28,839)
Net cash provided by (used in) operating activities	35,904	82,775
Cash flows from investing activities		
Purchase of property, plant and equipment	(40,288)	(24,022)
Proceeds from sale of property, plant and equipment	161	182
Purchase of intangible assets	(5,956)	(6,346)
Purchase of investment securities	(43)	(1,154)
Proceeds from sale of investment securities	65	7,787
Loan advances	(10,386)	(6,065)
Proceeds from collection of loans receivable	10,639	6,660
Other, net	1,195	(1,699)
Net cash provided by (used in) investing activities	(44,612)	(24,656)

(Millions of yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(1,140)	5,454
Increase (decrease) in commercial papers	25,000	—
Repayments of long-term loans borrowings	(12)	(15,012)
Repayments of lease obligations	(7,850)	(5,997)
Proceeds from sale of treasury shares	0	1
Purchase of treasury shares	(9)	(21,016)
Purchase of treasury shares of subsidiaries	(13)	—
Dividends paid	(12,547)	(16,089)
Dividends paid to non-controlling interests	(1,301)	(1,670)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(787)	—
Net cash provided by (used in) financing activities	1,337	(54,330)
Effect of exchange rate changes on cash and cash equivalents	(251)	762
Net increase (decrease) in cash and cash equivalents	(7,622)	4,550
Cash and cash equivalents at beginning of year	62,675	69,873
Increase (decrease) in cash and cash equivalents resulting from merger of consolidated subsidiaries and unconsolidated subsidiaries	—	5
Cash and cash equivalents at end of year	55,053	74,428