

**Summary of Consolidated Financial Results**  
**for the Second Quarter of the Fiscal Year Ending March 31, 2023**  
**(Six Months Ended September 30, 2022)**

[Japanese GAAP]

Company name: COMTURE CORPORATION Listing: Tokyo Stock Exchange  
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 Scheduled date of filing of Quarterly Report: November 4, 2022  
 Scheduled date of payment of dividend: November 30, 2022  
 Preparation of supplementary materials for quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(All amounts are rounded down to the nearest million yen)

**1. Consolidated Financial Results for the Second Quarter Ended September 30, 2022**  
**(April 1, 2022 – September 30, 2022)**

(1) Consolidated operating results (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended Sep. 30, 2022	14,045	17.1	1,733	(11.6)	1,741	(11.4)	1,186	(2.8)
Six months ended Sep. 30, 2021	11,995	19.1	1,961	46.8	1,965	42.9	1,220	32.6

Note: Comprehensive income (million yen): Six months ended Sep. 30, 2022: 1,190 (down 2.3%)  
 Six months ended Sep. 30, 2021: 1,219 (up 31.2%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2022	37.21	-
Six months ended Sep. 30, 2021	38.29	-

\*Diluted net income per share is not presented because there were no potential shares with dilutive effects.

## (2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Million yen	Million yen	%
As of Sep. 30, 2022	19,212	14,298	74.4
As of Mar. 31, 2022	18,934	13,820	73.0

Reference: Shareholders' equity (million yen): As of Sep. 30, 2022: 14,298 As of Mar. 31, 2022: 13,820

**2. Dividends**

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
Fiscal year ended Mar. 31, 2022	Yen 8.25	Yen 8.25	Yen 9.25	Yen 11.25	Yen 37.00
Fiscal year ending Mar. 31, 2023	11.00	11.00			
Fiscal year ending Mar. 31, 2023 (forecast)			11.00	11.00	44.00

Note: Revisions to the most recently announced dividend forecast: None

**3. Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2023 (April 1, 2022 – March 31, 2023)**

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	28,800	15.3	4,660	16.6	4,660	16.5	3,080	22.4	96.62

Note: Revisions to the most recently announced consolidated earnings forecasts: None

**\* Notes**

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

Newly added: - Excluded: -

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: Yes

(3) Changes in accounting policies and accounting-based estimates, and restatements

- |   |      |
|---|------|
| 1) Changes in accounting policies due to revisions in accounting standards, others: | Yes  |
| 2) Changes in accounting policies other than 1) above:                              | None |
| 3) Changes in accounting-based estimates:   | None |
| 4) Restatements:  | None |

(4) Number of outstanding shares (common stock)

- |  |                   |                                 |                   |
|--|-------------------|---------------------------------|-------------------|
| 1) Number of shares outstanding at the end of the period (including treasury shares) |                   |                                 |                   |
| As of Sep. 30, 2022:   | 32,241,600 shares | As of Mar. 31, 2022:            | 32,241,600 shares |
| 2) Number of treasury shares at the end of the period                                |                   |                                 |                   |
| As of Sep. 30, 2022:   | 368,190 shares    | As of Mar. 31, 2022:            | 365,150 shares    |
| 3) Average number of shares outstanding during the period                            |                   |                                 |                   |
| Six months ended Sep. 30, 2022:  | 31,874,147 shares | Six months ended Sep. 30, 2021: | 31,873,168 shares |

\* The current quarterly financial report is not subject to quarterly review by certified public accountants or auditing firms.

\* Explanation of appropriate use of earnings forecasts, and other special items

Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Company's management at the time the materials were prepared. Actual results may differ significantly from these forecasts for a number of reasons. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (4) Explanation of Consolidated Forecast and Other Forward-looking Statements" on page 6 for forecast assumptions and notes of caution for usage.

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## 1. Qualitative Information on Quarterly Consolidated Financial Performance

### (1) Explanation of Results of Operations

Companies and governments need to implement strategic innovations that utilize digital technologies, such as by creating new businesses and services and new ways for people to do their jobs. The growth of IT investments is expected to gain momentum in the digital transformation (DX) sector.

The COMTURE Group regards these trends as an opportunity for long-term growth. We are dedicated to giving customers support for their DX activities as well as altering COMTURE itself, a process we call the COMTURE Transformation (CX). Our strategy for the next 10 years is to play a key role in the business model reforms of our customers. This includes DX provision that incorporates our own templates and solutions for the provision of added value, an activity centered on building stronger ties with global vendors.

COMTURE was one of the first companies to build value-added systems based on Lotus Notes, SAP and other software. We increased the number of platforms we handle to match changes in the business climate. Today, we build systems based on AWS, Microsoft, Salesforce, ServiceNow, Google Cloud Platform and other cloud services. Our services also encompass data science using SAS and other tools, the use of robotic process automation (RPA) tools for the efficiency and automation of business processes, and more DX-related solutions. Demand is increasing for the construction of systems based on the DX products of these global vendors. We are meeting this demand by creating profitable proposals with significant added value for customers. Furthermore, in addition to providing solutions using a single vendor, we are creating solutions that use two or more vendors. By using these types of activities, we are meeting the increasingly complex needs of our customers by assembling the best possible solutions. To provide these solutions, we are encouraging our people to acquire even more advanced vendor certifications and improve skills for creating proposals for customers. Another priority is providing services with even more added value involving consulting and other fields.

We are using formats that combine online and face-to-face interaction for efficient sales activities and the presentation of proposals to prospective customers. Daily business reports utilize a sales force automation (SFA) system to facilitate the timely sharing of information with many people, including management. The goal is to utilize the collective knowledge of our team even more in order to raise our proposals to a higher level and strengthen sales activities. Launching new businesses faster in growing market sectors is another priority. We have started a project that covers all COMTURE businesses for the purpose of creating templates based on customers' needs and then using these ideas for new businesses that can contribute to our next stage of growth.

Market conditions are favorable for receiving new orders and our highest priority is recruiting and retaining the engineers we require to handle these orders and maintain strong performance. Raising salaries and other benefits for employees is the most important point for recruiting and retaining engineers. One step was an average salary increase of 10.8% in the previous fiscal year and we are aiming to raise the average salary by at least 8% in the current fiscal year. We have also been increasing engagement with our workforce, such as by allowing individuals to use a working style combining telework and work at a COMTURE office, utilizing small groups and other forms of unrestricted R&D activities and by establishing more ties between management and employees.

In our recruiting and training activities, we are taking steps to make newly hired new college graduates productive even faster. For recruiting people with previous work experience, we are working closely with external consultants, recruiting agents and other companies to improve our activities in order to hire engineers who can immediately contribute to our business operations. In addition, the April 2022 acquisition of SoftwareCreation Co., Ltd. added 120 engineers to our workforce. All of these activities are strengthening our ability to provide solutions to our customers.

To cover areas where there are shortages in our own workforce, we are using strategic forms of collaboration with partner companies, including the creation of core partners. These relationships allow us to be the first to receive information about engineers we can hire who will become productive immediately. We will continue to place priority on the recruitment of engineers with activities that include the use of COMTURE Group's IT training company and the COMTURE Group's educational materials and courses to assist individuals acquire skills in growing market sectors.

In the first half, the COMTURE Group performed as follows.

	1H of FY3/22	1H of FY3/23	Change	(Millions of yen) Change (%)
Net sales	11,995	14,045	2,049	17.1%
Gross profit	2,986	3,071	85	2.9%
Operating profit	1,961	1,733	(228)	(11.6)%
Ordinary profit	1,965	1,741	(223)	(11.4)%
Profit attributable to owners of parent	1,220	1,186	(34)	(2.8)%

Sales increased as more resources were shifted to DX-related businesses and sales activities backed by stronger relationships with platformers and tool vendors and for other reasons. SoftwareCreation also contributed to sales growth. As a result, sales increased 17.1% from one year earlier as COMTURE achieved first half sales growth for the twelfth consecutive year.

Gross profit increased 2.9%. Sales per employee increased because of upgrading proposal skills and the quality of services, improvements in productivity, the expansion of consulting activities, the shift of resources to growing market sectors, and other reasons. However, there was a big increase in personnel expenses with the goal of raising employees' job satisfaction.

Operating profit decreased 11.6%. Major reasons for this decline are up-front investments for more growth, such as more expenditures to increase the hiring of new college graduates and people with previous work experience, and the amortization of all goodwill resulting from the acquisition of SoftwareCreation in the first quarter.

Although there was extraordinary income for the receipt of an insurance payment, profit attributable to owners of parent decreased 2.8%.

The shareholders' equity ratio, which is an indicator of financial soundness, was 74.4% at the end of the first half. These figures demonstrate our ability to maintain a high level of financial soundness.

Sales and gross profit in the COMTURE Group's business categories were as follows.

In the Cloud Solutions Business, sales and gross profit increased because of higher demand for several services. Sources of growth include the use of collaborations with Microsoft Japan Co., Ltd. and Salesforce Japan Co., Ltd. to build customer information systems, the shift of internal data systems to the cloud, primarily at large companies in the manufacturing and other sectors, and consulting and other services involving the digitalization of business processes.

In the Digital Solutions Business, sales increased. One reason is growth of the data analysis business, which includes anti-money laundering for financial institutions, and other activities. Growth of the data management business, such as building and maintaining infrastructures for collecting and storing large amount of data on the SAS and Google Cloud Platform, was another reason for the increases in sales.

In the Business Solutions Business, sales and gross profit were higher because of the double-digit recovery in the SAP category due to an improvement in the ability to secure the resources for SAP's S/4 HANA ERP system, as well as the inclusion of a newly consolidated subsidiary beginning with the current fiscal year.

In the Platform, Operation Services Business, sales increased. Demand is increasing for the construction of Amazon Web Services (AWS) and other cloud environments and services for the shift of operations to the cloud. There is also growth of the business for operating cloud environments and increasing demand for the outsourcing and security support of IT system operations.

In the Digital Learning Business, sales and gross profit were higher. One reason was the growth of the DX education business for acquisition of certifications of Microsoft, Salesforce, ServiceNow and other companies. Increasing demand at companies for new employee and other structured training programs also contributed to sales and earnings growth.

(Millions of yen)

		1H of FY3/22	1H of FY3/23	Change	Change (%)
Cloud Solutions Business	Net sales	4,627	5,121	494	10.7%
	Gross profit	1,164	1,249	85	7.3%
Digital Solutions Business	Net sales	1,229	1,335	106	8.6%
	Gross profit	341	329	(12)	(3.6)%
Business Solutions Business	Net sales	2,903	3,971	1,068	36.8%
	Gross profit	664	716	52	7.8%
Platform, Operation Services Business	Net sales	2,366	2,670	304	12.9%
	Gross profit	581	474	(107)	(18.4)%
Digital Learning Business	Net sales	869	945	77	8.8%
	Gross profit	234	302	68	28.8%

Activities of the business categories are as follows.

Business Category	Activities
Cloud Solutions Business	Collaboration, CRM and other cloud services utilizing global cloud vendors (Microsoft, Salesforce, ServiceNow and others) for increasing productivity.
Digital Solutions Business	Data analysis solutions utilizing global big data/AI tool vendors (SAS, Informatica, Databricks and others) and support for the automation of business processes using UiPath, Automation Anywhere and other robotic process automation tools.
Business Solutions Business	Construction, operation and modernization concerning accounting, personnel, fintech and other core IT systems using collaborations with SAP and other global ERP package vendors.
Platform, Operation Services Business	System and network environment designs, construction and operation using collaborations with global cloud platformers (Amazon Web Service, Google Cloud Platform and others) and hardware vendors (Hewlett Packard Enterprise, Dell, Cisco and others); remote IT system surveillance service by the COMTURE Group's service center that uses global tools; help desk operations.
Digital Learning Business	Education services with cooperation of global vendors (Microsoft, Salesforce, ServiceNow and others) for acquiring vendor certifications and IT education services to give people skills needed to perform DX jobs.

There was consistent double-digit sales growth during the fiscal year's second quarter because of activities for growth of DX operations. Sales growth along with measures to make new employees productive quickly and end low-margin projects made it possible to increase gross profit, operating profit and profit attributable to owners of parent despite a big increase in personnel expenses and higher investments associated with the larger scale of business operations.

We announced a new three-year business plan in May 2022. One theme of this plan is the continuation of our focus on creating a substantial added value. Furthermore, to meet the expectations of stakeholders, this plan is positioned as a period for establishing a sustainability policy and vision for 10 years from now that are both linked to our corporate philosophy and taking the actions needed based on this policy and vision.

We are determined to build an infrastructure as an outstanding company by providing value-added services that solve customers' issues involving the DX, providing a pleasant and productive workplace environment for employees, and using other measures. Our goal is to use these activities for faster growth that will raise our fiscal year sales to 100 billion yen in 10 years. We will use business operations that add significant value as the foundation to build an even more powerful framework for our business operations as we use innovation that is possible only at the COMTURE Group to help solve our customers' problems.

Due to the outlook for these activities to generate even more growth, we have made upward revisions to our

previous medium-term business plan that was announced on May 10, 2021 in order to establish the new three-year plan. Three business strategies will be the core components of our actions to accomplish the goals of the new plan: collaboration with vendors, stronger proposal creation skills and the expansion of our human resources. By establishing a stronger infrastructure to support these activities and making large investments, we plan to provide products and services with substantial added value and continue to grow.

	FY3/22 Results	FY3/25 Forecast	Average Annual Growth Rate (FY3/22-FY3/25)
Net sales	24,985 million yen	At least 38,000 million yen	At least 15%
Operating profit	3,996 million yen	At least 6,100 million yen	At least 15%
Operating margin	16.0%	At least 16%	-
ROE	19.2%	At least 20%	-
Payout ratio	49.1%	At least 45%	-

## (2) Explanation of Financial Position

Total assets were 19,212 million yen at the end of the second quarter, 278 million yen more than the end of the previous fiscal year. There was a net increase in assets of 736 million yen because of the acquisition of SoftwareCreation but cash and deposits at companies other than SoftwareCreation decreased 759 million yen because of dividend payments, taxes, bonuses and other reasons.

Liabilities decreased 199 million yen to 4,914 million yen. Liabilities increased 480 million yen due to the acquisition of SoftwareCreation. There were decreases of 483 million yen in income taxes payable because of the payment of taxes and 77 million yen in accrued retirement benefits for directors (and other officers) included in other non-current liabilities because of the payment.

Net assets increased 477 million yen to 14,298 million yen mainly because profit attributable to owners of parent of 1,186 million yen and dividend payments of 712 million yen.

## (3) Explanation of Cash Flows

There was a net decrease of 55 million yen in cash and cash equivalents from the end of the previous fiscal year to 11,209 million yen at the end of the second quarter. Major components of cash flows were as follows.

### Cash flows from operating activities

Net cash provided by operating activities decreased 60.9% to 903 million yen. Major sources of cash were profit before income taxes of 1,824 million yen, a decrease of 344 million yen in trade receivables, and amortization of goodwill of 150 million yen. Major uses of cash were income taxes paid of 1,065 million yen, a decrease of 202 million yen in trade payables, and a decrease of 125 million yen in provision for retirement benefits for directors (and other officers).

### Cash flows from investing activities

Net cash provided by investing activities was 143 million yen, compared with 20 million yen used a year earlier. Major sources of cash were proceeds from sale of investment securities of 138 million yen and proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation of 41 million yen. The major use of cash was purchase of property, plant and equipment of 42 million yen.

### Cash flows from financing activities

Net cash used in financing activities increased 25.4% to 1,103 million yen. There were payments of 702 million yen for dividends, repayments of long-term borrowings of 210 million yen, and a net decrease in short-term borrowings of 190 million yen.

**(4) Explanation of Consolidated Forecast and Other Forward-looking Statements**

There are no revisions to the full-year consolidated earnings forecast for the fiscal year ending March 31, 2023 that was announced in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2022 (Japanese GAAP)” on May 9, 2022.

These forecasts are based on judgments made in accordance with information available to management at the time this report was prepared. Actual results may differ from these forecasts for a number of reasons.



**2. Quarterly Consolidated Financial Statements and Notes****(1) Quarterly Consolidated Balance Sheet**

	(Millions of yen)	
	FY3/22 (As of Mar. 31, 2022)	2Q of FY3/23 (As of Sep. 30, 2022)
Assets		
Current assets		
Cash and deposits	11,265	11,209
Notes and accounts receivable-trade	3,988	4,285
Work in process	107	128
Other	266	304
Total current assets	15,628	15,929
Non-current assets		
Property, plant and equipment		
Buildings, net	435	444
Vehicles, net	15	13
Tools, furniture and fixtures, net	199	195
Total property, plant and equipment	650	652
Intangible assets		
Goodwill	680	624
Software	12	11
Other	125	110
Total intangible assets	819	746
Investments and other assets		
Investment securities	563	482
Guarantee deposits	587	637
Deferred tax assets	617	701
Other	66	63
Total investments and other assets	1,836	1,884
Total non-current assets	3,305	3,283
Total assets	18,934	19,212

	(Millions of yen)	
	FY3/22 (As of Mar. 31, 2022)	2Q of FY3/23 (As of Sep. 30, 2022)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable-trade	1,230	1,237
Short-term borrowings	200	200
Accrued expenses	421	536
Income taxes payable	1,166	707
Provision for bonuses	929	993
Provision for bonuses for directors (and other officers)	30	11
Provision for loss on construction contracts	5	-
Asset retirement obligations	-	3
Other	667	659
<b>Total current liabilities</b>	<b>4,650</b>	<b>4,348</b>
<b>Non-current liabilities</b>		
Retirement benefit liability	107	240
Asset retirement obligations	244	258
Other	110	67
<b>Total non-current liabilities</b>	<b>462</b>	<b>566</b>
<b>Total liabilities</b>	<b>5,113</b>	<b>4,914</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	1,022	1,022
Capital surplus	3,631	3,631
Retained earnings	9,262	9,735
Treasury shares	(107)	(107)
<b>Total shareholders' equity</b>	<b>13,808</b>	<b>14,281</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	12	16
<b>Total accumulated other comprehensive income</b>	<b>12</b>	<b>16</b>
<b>Total net assets</b>	<b>13,820</b>	<b>14,298</b>
<b>Total liabilities and net assets</b>	<b>18,934</b>	<b>19,212</b>

**(2) Quarterly Consolidated Statements of Income and Comprehensive Income****Quarterly Consolidated Statement of Income****(For the Six-month Period)**

(Millions of yen)

	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)
Net sales	11,995	14,045
Cost of sales	9,009	10,973
Gross profit	2,986	3,071
Selling, general and administrative expenses	1,024	1,338
Operating profit	1,961	1,733
Non-operating income		
Interest income	3	3
Dividend income	0	0
Gain on cancellation of insurance policies	-	2
Gain on valuation of investment securities	-	4
Other	11	3
Total non-operating income	14	13
Non-operating expenses		
Interest expenses	1	0
Loss on valuation of investment securities	5	-
Other	3	4
Total non-operating expenses	10	5
Ordinary profit	1,965	1,741
Extraordinary income		
Insurance claim income	-	103
Gain on sale of investment securities	5	-
Total extraordinary income	5	103
Extraordinary losses		
Loss on retirement of non-current assets	0	-
Loss on sale of investment securities	-	2
Loss on valuation of investment securities	117	17
Total extraordinary losses	117	19
Profit before income taxes	1,853	1,824
Income taxes	633	638
Profit	1,220	1,186
Profit attributable to owners of parent	1,220	1,186

**Quarterly Consolidated Statement of Comprehensive Income**  
**(For the Six-month Period)**

(Millions of yen)

	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)
Profit	1,220	1,186
Other comprehensive income		
Valuation difference on available-for-sale securities	(1)	4
Total other comprehensive income	(1)	4
Comprehensive income	1,219	1,190
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,219	1,190

**(3) Quarterly Consolidated Statement of Cash Flows**

(Millions of yen)

	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)
Cash flows from operating activities		
Profit before income taxes	1,853	1,824
Depreciation	67	72
Amortization of goodwill	103	150
Increase (decrease) in provision for bonuses	73	36
Increase (decrease) in provision for bonuses for directors (and other officers)	(10)	(18)
Increase (decrease) in provision for loss on construction contracts	-	(5)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	-	(125)
Increase (decrease) in retirement benefit liability	(18)	1
Interest and dividend income	(3)	(3)
Interest expenses	1	0
Insurance claim income	-	(103)
Gain on cancellation of insurance policies	-	(2)
Loss (gain) on sale of investment securities	(5)	2
Loss (gain) on valuation of investment securities	123	12
Loss on retirement of non-current assets	0	-
Decrease (increase) in trade receivables	466	344
Decrease (increase) in inventories	(38)	(15)
Increase (decrease) in trade payables	(44)	(202)
Increase (decrease) in accrued expenses	12	27
Increase (decrease) in accrued consumption taxes	(99)	(125)
Other, net	(10)	(21)
Subtotal	2,470	1,850
Interest and dividends received	3	3
Interest paid	(1)	(0)
Proceeds from insurance income	-	114
Income taxes paid	(249)	(1,065)
Income taxes refund	88	1
Net cash provided by (used in) operating activities	2,312	903
Cash flows from investing activities		
Purchase of property, plant and equipment	(5)	(42)
Proceeds from sale of investment securities	-	138
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	-	41
Purchase of membership	(17)	-
Purchase of intangible assets	(2)	(0)
Payments of guarantee deposits	-	(28)
Proceeds from refund of guarantee deposits	0	1
Purchase of insurance funds	-	(1)
Proceeds from cancellation of insurance funds	0	20
Other, net	4	13
Net cash provided by (used in) investing activities	(20)	143

(Millions of yen)

	First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(300)	(190)
Repayments of long-term borrowings	(70)	(210)
Dividends paid	(508)	(702)
Other, net	(1)	-
Net cash provided by (used in) financing activities	(879)	(1,103)
Net increase (decrease) in cash and cash equivalents	1,412	(55)
Cash and cash equivalents at beginning of period	8,251	11,265
Cash and cash equivalents at end of period	9,663	11,209

#### **(4) Notes to Quarterly Consolidated Financial Statements**

##### **Going Concern Assumption**

Not applicable.

##### **Significant Changes in Shareholders' Equity**

Not applicable.

##### **Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements**

Calculation of tax expense

The tax expenses were calculated by first estimating the effective tax rate after the application of tax effect accounting with respect to profit before income taxes for the fiscal year in which the quarter under review falls, and multiplying that rate by the quarterly profit before income taxes for the quarter under review.

##### **Changes in Accounting Policies**

COMTURE has applied the Guidance on Accounting Standard for Fair Value Measurement (ASBJ Statement No. 31, June 17, 2021) from the beginning of the first quarter of the current fiscal year, and has applied the new accounting policies set forth by the Guidance on Accounting Standard for Fair Value Measurement prospectively in accordance with the transitional treatment prescribed in Paragraph 27-2 of the Guidance on Accounting Standard for Fair Value Measurement. There is no effect of the application of these standards on the quarterly consolidated financial statements.

##### **Segment and Other Information**

Segment information

I First six months of FY3/22 (Apr. 1, 2021 – Sep. 30, 2021)

No segment-related information is provided because COMTURE has only a single business segment.

II First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)

No segment-related information is provided because COMTURE has only a single business segment.

##### **Subsequent Events**

Not applicable.

*This financial report is solely a translation of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.*