

Summary of Consolidated Financial Results
for the Second Quarter of the Fiscal Year Ending March 31, 2024 (FY3/24)
(Six Months Ended September 30, 2023)

[Japanese GAAP]

Company name: OHSO FOOD SERVICE CORP. Listing: Tokyo Stock Exchange
 Stock code: 9936 URL: <https://www.ohsho.co.jp/english/>
 Representative: Naoto Watanabe, President
 Contact: Masahiro Inagaki, Managing Director, Executive Officer, General Manager of Administration
 Division Headquarters
 Tel: +81-7-5592-1411

Scheduled date of filing of Quarterly Securities Report: November 14, 2023

Scheduled date of payment of dividend: December 4, 2023

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 (April 1, 2023 – September 30, 2023) of FY3/24

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Sep. 30, 2023	49,744	10.2	4,988	30.6	5,122	5.5	3,896	26.8
Six months ended Sep. 30, 2022	45,136	11.5	3,820	19.7	4,856	(18.8)	3,072	(28.1)

Note: Comprehensive income (millions of yen) Six months ended Sep. 30, 2023: 3,899 (up 34.1%)
 Six months ended Sep. 30, 2022: 2,908 (down 34.2%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended Sep. 30, 2023	207.15	–
Six months ended Sep. 30, 2022	163.50	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Sep. 30, 2023	86,280	65,361	75.8
As of Mar. 31, 2023	84,103	62,770	74.6

Reference: Equity (millions of yen) As of Sep. 30, 2023: 65,361
 As of Mar. 31, 2023: 62,770

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Mar. 31, 2023	–	60.00	–	75.00	135.00
Fiscal year ending Mar. 31, 2024	–	70.00	–	–	–
Fiscal year ending Mar. 31, 2024 (forecasts)	–	–	–	70.00	140.00

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

3. Consolidated Forecasts for the Fiscal Year Ending March 31, 2024 (April 1, 2023 – March 31, 2024)

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	101,394	9.0	9,300	16.5	9,527	4.2	6,669	7.3	354.35

Note: Revisions to the most recently announced consolidated forecasts: Yes

For more details, please refer to the press release titled “Notice of Differences between the First Half Forecast and Actual Performance, and Revisions to Consolidated Forecasts for the Fiscal Year Ending March 31, 2024” (Japanese version only) that was announced today (October 31, 2023).

*** Notes**

(1) Changes in consolidated subsidiaries during the period (changes in specified subsidiaries resulting in changes in the scope of consolidation): None

Newly added: –

Excluded: –

(2) Application of special accounting methods for presenting quarterly consolidated financial statements: None

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

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Restatements: None

(4) Number of issued and outstanding shares (common shares)

1) Number of shares issued at the end of the period (including treasury shares)

As of Sep. 30, 2023:	23,286,230 shares	As of Mar. 31, 2023:	23,286,230 shares
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2) Number of treasury shares at the end of the period

As of Sep. 30, 2023:	4,465,557 shares	As of Mar. 31, 2023:	4,481,183 shares
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3) Average number of shares outstanding during the period

Six months ended Sep. 30, 2023:	18,811,748 shares	Six months ended Sep. 30, 2022:	18,795,265 shares
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*** The current quarterly financial report is not subject to quarterly review procedures by certified public accountants or auditing firms.**

*** Appropriate use of earnings forecasts, and other special items**

Forecasts of future performance in this document are based on assumption judged to be valid and information currently available to the Company's management, but are not promises by the Company regarding future performance. Actual results may differ materially from the forecasts for a number of reasons. Please refer to "1. Qualitative Information on Quarterly Consolidated Financial Performance, (3) Explanation of Consolidated Forecasts and Other Forward-looking Statements" on page 6 for forecast assumptions and notes of caution for usage.

How to view supplementary materials for quarterly financial results

The Company plans to hold the following financial results meeting for institutional investors and analysts. Materials to be used at this event will be available on the Company's website immediately thereafter.

- Friday, November 17, 2023: Financial results meeting for institutional investors and analysts

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1. Qualitative Information on Quarterly Consolidated Financial Performance

(1) Explanation of Results of Operations

Summary of consolidated results of operations for the first half of FY3/24 (April 1, 2023 to September 30, 2023)			
	Amount (millions of yen)	% to sales	Changes vs. 1H of FY3/23
Net sales	49,744	100.0%	110.2%
Operating profit	4,988	10.0%	130.6%
Ordinary profit	5,122	10.3%	105.5%
Profit attributable to owners of parent	3,896	7.8%	126.8%
<ul style="list-style-type: none"> - Achieved record high net sales for 2Q (for two consecutive years). - Achieved record high monthly sales for 20 consecutive months. - Achieved record high single-month sales three times: in May, July, and August. 			

During the first six months of the fiscal year ending March 31, 2024 (the “period under review”), the Japanese economy saw a gradual recovery trend amid the ongoing normalization of socio-economic activities following COVID-19 downgraded to Class 5 under the Infectious Disease Control Act. Meanwhile, the outlook remains uncertain, with rising prices and creeping inflation worldwide and an increasing concern about the downside risk of the economy resulting from continuing monetary tightening, as well as a sluggish real estate market in China.

In the restaurant industry, we saw a strong demand in dining out thanks to improvement in personal consumption along with the recovery of foot traffic due to the lifting of movement restrictions, which has encouraged people to hold events as before across Japan. The return of inbound demand has also contributed to this strong demand. On the other hand, in addition to a chronic labor shortage, there has been a significant spike in food, energy, labor, and other operational costs, forcing us to take urgent measures to address these issues.

Under such circumstances, to fulfill our social mission to provide “comfortable dining space,” “heartwarming hospitality,” and “delicious foods” to our customers, the Group focused on leveraging its hands-on capabilities honed through restaurant operations to further improve quality, service and cleanliness (QSC) and continued to implement aggressive sales promotion measures. Customer traffic grew even after we revised our prices in May and November 2022, particularly saw a large increase in in-store dining, and our takeout and delivery services remained strong. We have achieved the record high monthly sales every month since February 2022. In addition, net sales for a single month hit the record high three times during this fiscal year: in May, July, and August.

The following is an overview of our major initiatives and achievements during the period under review. They are described in line with four items consisting of sales strategy, restaurant opening strategy, franchise chain promotion strategy, and sustainability initiatives, of which first three are the primary strategies in our medium-term management plan entering its third year.

1) Sales strategy

Under our ongoing slogan from 2022, “The power of delicious meals will change the future,” each and every one of our employees has been passionately committed to further improving QSC.

Training sessions at the Ohsho Cooking Dojo (an in-house training program) drew an increasing number of participants through both on-site and on-line sessions. To help our cooking staff further improve their cooking techniques, we renewed the cooking skill tests and established the “cooking knowledge training program” under a tag line of “the science of good taste.” We also dedicated our efforts to “customer service training program” to provide comfortable dining experience for our customers.

For sales promotion activities, we continued our “draft beer campaign” and ran the “Gyoza Club customer appreciation campaign for 2023,” which resulted in the acquisition of a record number of 1,094,000 Gyoza Club members. Furthermore, we started “Gyoza Club customer appreciation campaign for 2024” on June 23. The campaign prizes, which have been well-received each time, include new original limited-edition goods such as a “ramen bowl with Chinese zodiac signs for 2023” with an artwork on the ramen bowl used for our new product “Wasurerarenai Chukasoba (Chinese noodles that can be never forgotten),” and a “glowing wireless charger.” The number of members has been growing at a pace fast enough to reach a record high again this fiscal year. Another

measure is a “stamp campaign for uncooked gyoza” that we started on August 1 with the hope of having customers enjoy “Gyoza no OHSO feeling” more often at home. The number of gyoza sold during the campaign period will exceed that of the previous year.

“Wasurerarenai Chukasoba,” rolled out nationwide on April 1, has enjoyed great support of customers who are fond of “a nostalgic yet new taste,” becoming hot-selling product, with total sales exceeding 2,360,000 bowls as of the end of September.

2) Restaurant opening strategy

During the period under review, the Company opened four directly operated stores and converted two franchised stores to direct operation.

For new stores, we opened the Ebina-Kamigo store in May 2023, the Kokudo-4go-Satte store in June, the Aeon-Nakama store in July, and the TRIAL-Utsunomiya store in August.

The Ebina-Kamigo store is a roadside store with a parking lot in Ebina City, where large commercial facilities and housing complexes have been built and the population is growing rapidly. The store serves many customers from a wide area as well as neighboring areas, and is expected to further expand its trade area in the future as road plans and development of the adjustment area are enacted.

The Kokudo-4go-Satte store is located along the National Route 4, a major artery connecting the Kanto and Tohoku regions, and is the second roadside store featuring “Neo-Showa” style, projecting a feeling of the nostalgic Showa-era. The store is attracting customers from a wide area due to the synergistic effect of such a design characteristic and the roadside location facing a highway.

The Aeon-Nakama store, located in the center of Nakama City, Fukuoka Prefecture, was opened as a roadside store within new commercial facilities. The store has been reporting very favorable sales since its opening partly due to a synergistic effect with a supermarket attracting many people on a daily basis.

The TRIAL-Utsunomiya store was opened on the first floor in the front area inside the TRIAL’s Mega Center Utsunomiya store, which attracts many customers both on weekdays and weekends. The TRIAL-Utsunomiya store is visited by many customers from a wide area as well as local residents every day.

Meanwhile, the following franchised stores were converted to our directly operated stores: the Naruto store in Naruto City, Tokushima Prefecture, and the Harinakano store (which was closed as a franchised store in October 2022) in Osaka City, Osaka Prefecture. Both stores have sufficient potential for acquiring new customers since there were many long-standing regular customers hoping for the continuity of the stores. As for the Harinakano store, it was opened as the third Joy-Naho store which primarily offers takeout and delivery. Both stores have earned much greater sales than those earned during the period of franchised store operation.

As stated above, in opening new stores, we strive to increase capital efficiency for investment by enhancing trade area analysis and location research in candidate areas for new store opening, as well as by assessing store types appropriate for the trade area and location and refining sales forecasts.

3) Franchise chain promotion strategy

Continuing from the previous fiscal year, we have promoted further improvement of the QSC level by thoroughly putting in place the “Ohsho standard” of QSC at franchised stores.

For cooking, we made efforts to stabilize and improve the quality of dishes by fully ensuring that the recipes and cooking methods were the same as those used in our directly operated stores. Particularly for the “Wasurerarenai Chukasoba,” our store advisors visited franchised stores to provide cooking guidance.

For hygiene management, we further strengthened hygiene management by having our franchised stores put in place hygiene management and store cleaning by using the same manuals as those used at directly operated stores, as well as by having our department specializing in hygiene management conduct hygiene seminars for franchised store managers.

For sales promotions, we have made efforts to have franchised stores run campaigns in tandem with directly operated stores. Specifically, we enhanced in-store announcement of all-store campaigns.

As a result of these measures, sales of franchised stores remained strong, reaching an all-time high, and sales of products shipped from our factories to franchised stores during the period under review also reached a record

high.

4) Sustainability initiatives

The Sustainability Vision established with the Basic Policy for Sustainability is to realize an enriched society without hunger, co-prosper with all stakeholders, and protect the global environment.

To pursue our vision “to realize an enriched society without hunger,” we supplied “Bento for Kids” free of charge to Kodomo Shokudo, or Children’s Cafeteria, around the country, during the school spring and summer breaks in 2023, an ongoing initiative since 2021. During the summer break in August, which marked the seventh turn, our 391 stores offered the lunch boxes to 1,342 organizations including Kodomo Shokudo. The number of lunch boxes we offered to children was 101 thousand, exceeding 100 thousand for the first time, with the cumulative number of more than 500 thousand for seven times. With each turn, this initiative has been steadily expanded. Each of our store heard many thankful comments from children who received the lunch boxes in difficult living circumstances these children are facing because of the pandemic that lasted for a long time and rising prices. It is those thankful comments that encourage and motivate our employees to participate in this all-hands initiative. We continue to fully commit to activities for supporting present and future of children, who are the future of society.

For our vision, “to co-prosper with all stakeholders,” we have implemented a record-high raise of average 22,000 yen per employee (pay raise by 7.0%) in revising the monthly salary for FY3/24, in addition to providing various training programs to employees. Furthermore, the Company fully met the demand (100% of the bonus table with an addition of 8.5%) from the labor union for the first half of FY3/24. As a result, the average bonus payment per employee reached a record high.

The Company continues to focus on investing in human capital, which we believe is an initial step toward co-prosperity with all stakeholders.

For the vision “to protect the global environment,” we have been working in compliance with the recommendations by the TCFD, an international organization that aims to disclose information on climate change. Specifically, we disclosed CO₂ emissions in our business activities (Scopes 1 and 2) and in our supply chain (Scope 3) in FY3/22. The result is reported in Annual Securities Report for the fiscal year ended March 31, 2023, which was filed on June 28, 2023 (<https://ir.ohsho.co.jp/ir/library/securities.html>).

After that, we calculated CO₂ emissions in FY3/23 and found the reduction in emissions per net sales year-on-year. As such, we have steadily proceeded with our approach to reduce CO₂ emissions.

By executing sustainability-focused management and pursuing our management philosophy “Creating stores praised by our customers,” we aim to help create a sustainable society, let alone enhance our corporate value.

As a result, we achieved the record high monthly sales consecutively for 20 months from February 2022 to September 2023 and net sales for the period under review increased 4,608 million yen or 10.2% year-on-year to the record high 49,744 million yen.

Operating profit increased 1,167 million yen or 30.6% year-on-year to 4,988 million yen. This year-on-year increase is attributable to an increase in sales plus a lower cost of sales ratio from sales of high value-added products and curbed increases in water and utility costs, though partially offset by higher unit prices for raw materials and packaging materials than the previous fiscal year.

Ordinary profit increased 265 million yen or 5.5% year-on-year to 5,122 million yen. A relatively small year-on-year increase is because of the lack of subsidy income for reduced operating hours of 915 million yen recognized as non-operating income for the same period a year ago.

Profit attributable to owners of parent increased 823 million yen or 26.8% year-on-year to 3,896 million yen mainly due to the above reasons and recording of gain on sale of non-current assets.

Regarding the store network during the period under review, we opened five directly operated stores (including the Joy-Naho-Harinakano store) and one franchised store, converted one franchised store to directly operated store, converted one directly operated store to franchised store, and closed two directly operated stores and five franchised stores. The result was a total network of 545 directly operated stores and 186 franchised stores, totaling 731 stores at the end of the period under review.

(2) Explanation of Financial Position**Assets**

The balance of total assets at the end of the period under review was 86,280 million yen, up 2,176 million yen or 2.6% from the end of the previous fiscal year. The main factors for the change are as follows.

Current assets increased 1,961 million yen or 5.5% to 37,831 million yen. This was mainly due to an increase in cash and deposits.

Non-current assets increased 215 million yen or 0.4% to 48,449 million yen. This was mainly due to an increase in investment securities as a result of higher market value.

Liabilities

The balance of total liabilities at the end of the period under review was 20,919 million yen, down 414 million yen or 1.9% from the end of the previous fiscal year. The main factors for the change are as follows.

Current liabilities increased 583 million yen or 4.6% to 13,207 million yen. The main reason was an increase in income taxes payable.

Non-current liabilities decreased 997 million yen or 11.5% to 7,711 million yen. The main reason was a decrease in long-term borrowings. The balance of borrowings at the end of the period under review was 8,000 million yen.

Net assets

Net assets at the end of the period under review increased 2,591 million yen or 4.1% to 65,361 million yen. This increase was mainly attributable to the recording of profit attributable to owners of parent of 3,896 million yen, while there was the dividend payment of 1,410 million yen. As a result, the equity ratio was 75.8%.

Cash Flows

Cash and cash equivalents (hereinafter, "net cash") at the end of the period under review amounted to 33,713 million yen, up 1,684 million yen from the end of the previous fiscal year.

The main changes in cash flows from operating, investing, and financing activities for the period under review are described as below.

Cash flows from operating activities

Net cash provided by operating activities increased 2,327 million yen or 75.2% year-on-year to 5,424 million yen. This was mainly due to a decrease in income taxes paid.

The main factors include profit before income taxes of 5,469 million yen and depreciation of 1,338 million yen, which were partially offset by gain on sale of non-current assets of 348 million yen and income taxes paid of 211 million yen.

Cash flows from investing activities

Net cash used in investing activities increased 61 million yen or 4.8% year-on-year to 1,328 million yen. This was mainly due to an increase in purchase of property, plant and equipment.

The main factors include purchase of property, plant and equipment of 1,637 million yen.

Cash flows from financing activities

Net cash used in financing activities decreased 4,921 million yen or 67.1% year-on-year to 2,410 million yen. This was mainly due to a decrease in repayments of long-term borrowings.

The main factors include repayments of long-term borrowings of 1,000 million yen and dividends paid of 1,410 million yen.

(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements

For the full-year forecast of FY3/24, we have replaced the previously announced forecast for the first half of the fiscal year with the strong results, and for the second half, we have reflected the prices of certain menu items revised on October 17, 2023 to net sales while adding the increases of raw material prices to the cost. We expect a favorable result for the second half as with the first half since an increase in costs is expected to be more than offset by an increase in net sales due to the revised menu prices; however, under uncertain business circumstances caused by rising tensions between nations or other concerns, the upward revision for the full-year forecast has been made with the net earnings for the second half remaining the same as the previous forecast.

For more details, please refer to the press release titled “Notice of Differences between the First Half Forecast and Actual Performance, and Revisions to Consolidated Forecasts for the Fiscal Year Ending March 31, 2024” (Japanese version only) that was announced today (October 31, 2023).

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

(Millions of yen)

	FY3/23 (As of Mar. 31, 2023)	Second quarter of FY3/24 (As of Sep 30, 2023)
Assets		
Current assets		
Cash and deposits	32,029	33,713
Accounts receivable-trade	2,516	2,478
Merchandise and finished goods	155	155
Raw materials	455	471
Other	715	1,012
Allowance for doubtful accounts	(1)	(1)
Total current assets	35,869	37,831
Non-current assets		
Property, plant and equipment		
Buildings and structures	57,036	57,612
Accumulated depreciation	(44,859)	(45,310)
Buildings and structures, net	12,176	12,301
Machinery, equipment and vehicles	7,134	7,183
Accumulated depreciation	(5,114)	(5,313)
Machinery, equipment and vehicles, net	2,019	1,870
Tools, furniture and fixtures	6,900	7,180
Accumulated depreciation	(5,224)	(5,413)
Tools, furniture and fixtures, net	1,675	1,767
Land	20,134	19,994
Construction in progress	122	282
Total property, plant and equipment	36,129	36,216
Intangible assets	197	167
Investments and other assets		
Investment securities	3,855	4,015
Guarantee deposits	4,510	4,639
Other	3,555	3,424
Allowance for doubtful accounts	(14)	(14)
Total investments and other assets	11,907	12,065
Total non-current assets	48,234	48,449
Total assets	84,103	86,280

	(Millions of yen)	
	FY3/23 (As of Mar. 31, 2023)	Second quarter of FY3/24 (As of Sep 30, 2023)
Liabilities		
Current liabilities		
Accounts payable-trade	2,525	2,434
Current portion of long-term borrowings	2,000	2,000
Income taxes payable	435	1,709
Provision for bonuses	995	1,028
Other	6,668	6,034
Total current liabilities	12,624	13,207
Non-current liabilities		
Long-term borrowings	7,000	6,000
Asset retirement obligations	866	875
Other	842	835
Total non-current liabilities	8,709	7,711
Total liabilities	21,333	20,919
Net assets		
Shareholders' equity		
Share capital	8,166	8,166
Capital surplus	9,393	9,459
Retained earnings	56,630	58,386
Treasury shares	(10,629)	(10,592)
Total shareholders' equity	63,561	65,419
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,124	2,235
Revaluation reserve for land	(3,243)	(2,512)
Foreign currency translation adjustment	(4)	(4)
Remeasurements of defined benefit plans	332	223
Total accumulated other comprehensive income	(791)	(57)
Total net assets	62,770	65,361
Total liabilities and net assets	84,103	86,280

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

	(Millions of yen)	
	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)
Net sales	45,136	49,744
Cost of sales	14,167	15,831
Gross profit	30,968	33,913
Selling, general and administrative expenses	27,147	28,924
Operating profit	3,820	4,988
Non-operating income		
Interest income	0	0
Dividend income	60	64
Franchise chain accession fee	52	55
Rental income from land and buildings	30	29
Subsidy income	923	–
Miscellaneous income	101	106
Total non-operating income	1,168	256
Non-operating expenses		
Interest expenses	18	13
Rental expenses	54	62
Meal support expenses for Kodomo Shokudo	32	36
Miscellaneous losses	26	9
Total non-operating expenses	132	122
Ordinary profit	4,856	5,122
Extraordinary income		
Gain on sale of non-current assets	21	348
Compensation for expropriation	–	49
Total extraordinary income	21	398
Extraordinary losses		
Loss on retirement of non-current assets	14	29
Impairment losses	254	21
Total extraordinary losses	268	51
Profit before income taxes	4,608	5,469
Income taxes-current	1,269	1,438
Income taxes-deferred	266	134
Total income taxes	1,535	1,572
Profit	3,072	3,896
Profit attributable to non-controlling interests	–	–
Profit attributable to owners of parent	3,072	3,896

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

	(Millions of yen)	
	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)
Profit	3,072	3,896
Other comprehensive income		
Valuation difference on available-for-sale securities	(93)	111
Foreign currency translation adjustment	2	0
Remeasurements of defined benefit plans, net of tax	(74)	(109)
Total other comprehensive income	(164)	2
Comprehensive income	2,908	3,899
Comprehensive income attributable to:		
Owners of parent	2,908	3,899
Non-controlling interests	–	–

(3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	First six months of FY3/23 (Apr. 1, 2022 – Sep. 30, 2022)	First six months of FY3/24 (Apr. 1, 2023 – Sep. 30, 2023)
Cash flows from operating activities		
Profit before income taxes	4,608	5,469
Depreciation	1,283	1,338
Impairment losses	254	21
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Decrease (increase) in retirement benefit asset	(110)	(164)
Interest and dividend income	(60)	(65)
Interest expenses	18	13
Compensation for expropriation	–	(49)
Loss (gain) on sale of non-current assets	(21)	(348)
Loss on retirement of non-current assets	14	29
Decrease (increase) in trade receivables	97	37
Decrease (increase) in inventories	(49)	(17)
Increase (decrease) in trade payables	(108)	(90)
Increase (decrease) in accrued consumption taxes	175	(74)
Other, net	25	(565)
Subtotal	6,127	5,535
Interest and dividends received	60	65
Interest paid	(10)	(13)
Proceeds from compensation for expropriation	–	49
Income taxes paid	(3,080)	(211)
Net cash provided by (used in) operating activities	3,096	5,424
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,393)	(1,637)
Proceeds from sale of property, plant and equipment	223	506
Loan advances	(13)	(19)
Proceeds from collection of loans receivable	18	23
Payments of guarantee deposits	(58)	(183)
Other, net	(45)	(18)
Net cash provided by (used in) investing activities	(1,267)	(1,328)
Cash flows from financing activities		
Proceeds from long-term borrowings	10,000	–
Repayments of long-term borrowings	(16,016)	(1,000)
Purchase of treasury shares	(0)	(0)
Dividends paid	(1,315)	(1,410)
Net cash provided by (used in) financing activities	(7,332)	(2,410)
Effect of exchange rate change on cash and cash equivalents	2	0
Net increase (decrease) in cash and cash equivalents	(5,500)	1,684
Cash and cash equivalents at beginning of period	37,440	32,029
Cash and cash equivalents at end of period	31,939	33,713

(4) Notes to Quarterly Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Significant Changes in Shareholders' Equity

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.