

Consolidated Financial Results for the Six Months Ended May 31, 2021

(Japanese Accounting Standards)

Name of listed company: **NEXTAGE Co., Ltd.**

Stock Exchange Listings: Tokyo, Nagoya

Stock code: 3186

URL: https://www.nextage.jp/

Representative: Seiji Hirota, President and CEO

Contact person: Masashi Nomura

Executive Officer, General Manager of Administration Division

Tel: +81-52-228-6914

Scheduled date to file Quarterly Securities Report: July 5, 2021

Scheduled date to commence dividend payments:

Supplementary explanatory materials prepared: Yes

Explanatory meeting: Yes (For institutional investors and analysts)

(Millions of yen with fractional amounts discarded, unless otherwise noted.)

1. Consolidated Financial Results for the Six Months Ended May 31, 2021 (From December 1, 2020 to May 31, 2021)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
May 31, 2021	139,231	20.2	6,345	_	6,201	_	4,366	_
May 31, 2020	115,791	10.5	177	(94.6)	(23)	_	(148)	_

Reference: Comprehensive income

For the six months ended May 31, 2021: \$4,392 million, [-%] For the six months ended May 31, 2020: \$(156) million, [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
May 31, 2021	57.91	56.76
May 31, 2020	(1.98)	_

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
May 31, 2021	108,734	36,153	33.2
November 30, 2020	99,633	30,017	30.1

Reference: NEXTAGE shareholders' equity

As of May 31, 2021: ¥36,152 million As of November 30, 2020: ¥30,013 million

2. Cash Dividends

		Annual dividends per share						
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual			
	Yen	Yen	Yen	Yen	Yen			
Fiscal year ended November 30, 2020	_	0.00	_	7.00	7.00			
Fiscal year ending November 30, 2021	_	0.00						
Fiscal year ending November 30, 2021 (forecasts)			_	7.00	7.00			

Note: Revision to the latest forecast of dividends: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending November 30, 2021 (From December 1, 2020 to November 30, 2021)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending November 30, 2021	280,000	16.1	11,000	61.2	10,700	63.9	7,600	60.3	100.80

Note: Revision to the latest forecast of financial results: None

Notes:

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

New: None Excluded: None

- (2) Adoption of accounting method specific to preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of revisions
 - a. Changes in accounting policies due to revisions to accounting standards and other guidelines: None
 - b. Changes in accounting policies due to reasons other than a. above: None
 - c. Changes in accounting estimates: None
 - d. Restatement of revisions: None
- (4) Number of common shares issued
 - a. Total number of issued shares at the end of the period (including treasury stock)

As of May 31, 2021 79,938,800 shares As of November 30, 2020 77,360,000 shares

b. Number of shares of treasury stock at the end of the period

As of May 31, 2021 3,458,071 shares As of November 30, 2020 3,608,571 shares

c. Average number of shares

For the six months ended May 31, 2021 75,394,204 shares For the six months ended May 31, 2020 75,231,612 shares

(Note) The Company introduced a trust-type employee stock ownership incentive plan (E-Ship) in October 2020.

The number of shares of treasury stock at the end of the period includes the following number of shares of the Company held by the NEXTAGE Employee Stock Ownership Trust Account, a dedicated account for E-Ship set up with a trust bank.

As of May 31, 2021 1,441,200 shares

In calculation of the average number of shares, the number of shares of treasury stock deducted from the number of common shares issued includes the following number of shares of the Company owned by the above-mentioned account.

For the six months ended May 31, 2021 1,515,657 shares

- * This report is not subject to quarterly review by certified public accountants or audit firms.

 This report is not subject to quarterly review procedures under the Financial Instruments and Exchange Act, and at the time of disclosure of the report, review procedures for the quarterly financial statements under the Financial Instruments and Exchange Act have not been completed.
- * Proper use of financial forecasts, and other special matters

Financial forecasts and other statements about the future that are included in this material are based on information currently in the possession of the Company and certain conditions judged reasonable by the Company. Actual results may differ significantly due to various factors. For notes on the conditions for financial forecasts and the use of financial forecasts, please refer to "Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information" on page 3 of the attached documentation.

Attachment Contents

1. Qualitative Information on Quarterly Financial Results	2
(1) Explanation of Operating Results	2
(2) Explanation of Financial Position.	3
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information	3
2. Matters concerning the Summary Information (Notes)	4
(1) Changes in Significant Subsidiaries during the Consolidated Quarter	4
(2) Adoption of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial	
Statements	4
(3) Changes in Accounting Policies, Accounting Estimates and Restatement of Revisions	4
3. Quarterly Consolidated Financial Statements and Primary Notes.	5
(1) Quarterly Consolidated Balance Sheets.	5
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive	
Income	7
(3) Quarterly Consolidated Statements of Cash Flows.	9
(4) Notes to the Quarterly Consolidated Financial Statements	10
Uncertainties of entity's ability to continue as going concern	10
Segment information, etc.	10
Significant events after reporting period	10

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Operating Results

Status of Financial Results

During the six months ended May 31, 2021, the Japanese economy faced an extremely severe situation but is expected to start to recover as a result of various government policies, amid a phased increase in the level of socio-economic activities while preventative measures are being taken to prevent the spread of the novel coronavirus infection (COVID-19). However, attention must be paid to trends in COVID-19 in Japan and overseas, as well as the impact of volatility in global financial and capital markets.

In this environment, in the Japanese used car sales industry, domestic used car registrations from December 2020 through May 2021 were 3,339,301 vehicles (up 4.9% year on year). By vehicle type, used car registrations were 1,708,602 vehicles (up 6.0% year on year) for ordinary passenger cars and 1,630,699 vehicles (up 3.8% year on year) for kei-cars for the same period. (Source: statistical data from the Japan Automobile Dealers Association and Japan Light Motor Vehicle and Motorcycle Association.)

In this business environment, based on the management philosophy of "Be loved by Customers," the NEXTAGE Group has operated stores with "Lifetime value" and "Active users" in mind.

In dealership openings, the Group opened Miyazaki-Kita Store in Miyazaki Prefecture, Nisshin-Ekimae Store in Aichi Prefecture, and Kochi Store in Kochi Prefecture in April 2021, and Makuhari Store in Chiba Prefecture in May 2021, all as general stores. In addition, the Group opened Ichinomiya-Subaru Specialist Store in Aichi Prefecture in April 2021 and UNIVERSE Chiba-Kita in Chiba Prefecture in May 2021 as specialist stores. Furthermore, the Group opened 4 vehicle purchasing specialist stores as storefront additions to new dealerships, as well as Nagakute-Green Road Store, Hamamatsu Store, Akishima Store, Saitama-Chuo Store, and Ishioka Store as vehicle purchasing stores in a standalone format.

As a result, for the six months to May 31, 2021, the Group posted net sales of \(\xi\)139,231 million (up 20.2% year on year), operating profit of \(\xi\)6,345 million (up 3,465.0%), ordinary profit of \(\xi\)6,201 million (ordinary loss of \(\xi\)23 million in the same period of the previous fiscal year) and profit attributable to owners of parent of \(\xi\)4,366 million (loss attributable to owners of parent of \(\xi\)148 million in the same period of the previous fiscal year).

Used car dealership business

In the used car dealership business, the store count as of May 31, 2021 was 88 dealership bases (comprising 138 storefronts). New store openings consisted of 4 dealership bases (5 storefronts) in the Kanto-Koshinetsu region, 4 dealership bases (4 storefronts) in the Tokai-Hokuriku region, 1 dealership base (1 storefront) in the Chugoku-Shikoku region, and 1 dealership base (1 storefront) in the Kyushu-Okinawa region. In addition, the Group opened 4 vehicle purchasing specialist stores as storefront additions.

New car dealership business

In the new car dealership business, the store count as of May 31, 2021 was 21 dealership bases (comprising 23 storefronts).

As a result, the store count as of May 31, 2021 was 109 dealership bases (comprising 161 storefronts).

Regional breakdowns of net sales were as follows.

Regional breakdo				a:		21 2021				
		hs ended May			Six months ended May 31, 2021					
	(From	December 1,	2019 to	(From	December 1,	2020 to	Change YoY			
		May 31, 2020))		May 31, 2021	1)		C		
Region	Sales amount (Millions of yen)	Bases at second quarter-end	Sales volume (Vehicles)	Sales amount (Millions of yen)	Bases at second quarter-end	Sales volume (Vehicles)	Sales amount (%)	Bases at second quarter-end	Sales volume (%)	
II-1did- T-1-1	11 721	9	7.400	12.476	11	0.045	115.0	2	110.4	
Hokkaido-Tohoku	11,721	(12)	7,409	13,476	(15)	8,845	115.0	(3)	119.4	
IZ	20.241	23	15.005	24.060	27	20.015	110.6	4	125.1	
Kanto-Koshinetsu	29,241	(36)	15,997	34,960	(42)	20,015	119.6	(6)	125.1	
T 1 ' II 1 ' 1	12.160	33	27.500	47.007	38	21.220	112.6	5	112.6	
Tokai-Hokuriku	42,160	(45)	27,500	47,887	(53)	31,238	113.6	(8)	113.6	
и.	17.506	15	10.060	22.002	17	14.604	125.0	2	124.1	
Kansai	17,586	(22)	10,960	23,883	(25)	14,694	135.8	(3)	134.1	
C1 - 1- C1 '1- 1-	1.716	1	1 204	1.702	2	1 422	104.5	1	102.5	
Chugoku-Shikoku	1,716	(2)	1,384	1,793	(4)	1,432	104.5	(2)	103.5	
Vynahu Okinawa	13,364	12	8,633	17,229	14	11,468	128.9	2	132.8	
Kyushu-Okinawa	13,304	(19)	0,033	17,229	(22)	11,408	120.9	(3)	132.8	
Total	115 701	93	71 002	120 221	109	97.602	120.2	16	122.0	
Total	115,791	(136)	71,883	139,231	(161)	87,692	120.2	(25)	122.0	

Notes: 1. Consumption and other sales taxes were not included in the amounts above.

2. The regions were composed of the following prefectures in which the Group has bases.

Hokkaido, Miyagi Prefecture, Fukushima Prefecture

Kanto-Koshinetsu: Ibaraki Prefecture Tochigi Prefecture, Gunma Prefecture, Saitama Prefecture,

Chiba Prefecture, Metropolitan Tokyo, Kanagawa Prefecture, Yamanashi

Prefecture, Nagano Prefecture, Niigata Prefecture

Tokai-Hokuriku: Gifu Prefecture, Aichi Prefecture, Mie Prefecture, Shizuoka Prefecture,

Toyama Prefecture, Ishikawa Prefecture, Fukui Prefecture

Kansai: Shiga Prefecture, Osaka Prefecture, Hyogo Prefecture, Wakayama Prefecture

Chugoku-Shikoku: Ehime Prefecture, Kochi Prefecture

Kyushu-Okinawa: Fukuoka Prefecture, Kumamoto Prefecture, Oita Prefecture, Miyazaki

Prefecture, Kagoshima Prefecture, Okinawa Prefecture

3. Figures in parentheses under bases at second quarter-end represent the number of storefronts. The number of dealership bases varies from the number of storefronts because a dealership base may have multiple storefronts for various types of vehicles as well as vehicle purchasing stores.

(2) Explanation of Financial Position

Total assets as of May 31, 2021 were \\$108,734 million, an increase of \\$9,100 million from the previous fiscal year-end.

Total current assets increased by ¥6,357 million from the previous fiscal year-end to ¥75,246 million. The main contributing factors were increases of ¥3,778 million in cash and deposits and ¥1,424 million in accounts receivable – trade.

Total non-current assets increased by \$2,743 million from the previous fiscal year-end to \$33,487 million. The main contributing factor was an increase of \$2,977 million in buildings and structures, primarily in connection with the opening of new stores.

Total current liabilities increased by ¥507 million from the previous fiscal year-end to ¥28,520 million. The main contributing factor was an increase of ¥1,779 million in short-term borrowings.

Total non-current liabilities increased by \(\xi\)2,457 million from the previous fiscal year-end to \(\xi\)44,060 million. The main contributing factor was an increase of \(\xi\)2,202 million in long-term borrowings.

Total net assets increased by ¥6,135 million from the previous fiscal year-end to ¥36,153 million.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

No changes have been made to the consolidated financial forecast for the fiscal year ending November 30, 2021 announced in "Consolidated Financial Results for the Fiscal Year Ended November 30, 2020" on January 7, 2021.

2.	Matters	concerning	the Summary	Information	(Notes)
----	---------	------------	-------------	-------------	---------

(1)	Changes	in Significant	Subsidiaries	during the	Consolidated	Quarter
	None					

(2) Adoption of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements
None

(3) Changes in Accounting Policies, Accounting Estimates and Restatement of Revisions None

3. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

Current assets 27,443 31,221 Accounts receivable - trade 6,416 7,840 Merchandise 32,951 32,711 Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets (7) (5) Non-current assets 889 75,246 Non-current assets 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734			(Millions of yen)
Current assets 27,443 31,221 Accounts receivable - trade 6,416 7,840 Merchandise 32,951 32,711 Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets 68,889 75,246 Non-current assets 889 75,246 Non-current assets 889 75,246 Non-current assets 889 75,246 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 4,615 5,032 Current liabilities 2 2,020 Current portion of bonds payable 6,056 8,055			
Cash and deposits 27,443 31,221 Accounts receivable - trade 6,416 7,840 Merchandise 32,951 32,711 Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets 68,889 75,246 Non-current assets 889 75,246 Non-current assets 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities 4 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of londs payable 1,000 -	Assets		
Accounts receivable - trade 6,416 7,840 Merchandise 32,951 32,711 Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets 8889 75,246 Non-current assets 8889 75,246 Non-current assets 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities 46,605 6,056 Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of long-term borrowings 5,201 5,601 <	Current assets		
Merchandise 32,951 32,711 Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets 86,889 75,246 Non-trent assets 889 75,246 Property, plant and equipment 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities 2 2 Current liabilities 6,403 6,056 Short-term borrowings 6,403 6,056 Short-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxe	Cash and deposits	27,443	31,221
Work in process 99 127 Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts 77 (5) Total current assets 68,889 75,246 Non-current assets 75,246 Property, plant and equipment 8 2 Buildings and structures, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities 2 1 1 Current liabilities 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 7,626 5,763	Accounts receivable - trade	6,416	7,840
Supplies 429 521 Other 1,556 2,829 Allowance for doubtful accounts 67 (5) Total current assets 68,889 75,246 Non-current assets 889 75,246 Non-current assets 889 5,807 Property, plant and equipment 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current ibibilities 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of bonds payable 1,430 2,073 Lease obligations 73 103 Income taxes payable 7,626 5,763 Other 7,626	Merchandise	32,951	32,711
Other 1,556 2,829 Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets 75,246 Property, plant and equipment 8 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities 6,403 6,056 Current portion of bonds payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current lia	Work in process	99	127
Allowance for doubtful accounts (7) (5) Total current assets 68,889 75,246 Non-current assets Property, plant and equipment Buildings and structures, net 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Current portion of bonds payable 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of bonds payable 1,000 — Current portion of bonds payable 1,00 — Current portion of bonds payable 1,00 2,073 Provision for bonuses 73 103 Other 7,626 5,763 Total current li	Supplies	429	521
Total current assets 68,889 75,246 Non-current assets 75,246 Property, plant and equipment 3484 21,862 Buildings and structures, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities 2 2 Current liabilities 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 39,746 41,949 Lease obligations 30,34 303<	Other	1,556	2,829
Non-current assets Property, plant and equipment 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current labilities 39,746 41,949 Lase obligations 30,2	Allowance for doubtful accounts	(7)	(5)
Property, plant and equipment Buildings and structures, net 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Current liabilities 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 42,8	Total current assets	68,889	75,246
Buildings and structures, net 18,884 21,862 Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 30,746 41,949 Lease obligations 320	Non-current assets		
Other, net 6,348 5,807 Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities 8 Current portion of bonds payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 31,91 1,379 Asset retirement obligations 1,191 1,379 Other	Property, plant and equipment		
Total property, plant and equipment 25,232 27,669 Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current borrowings 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060 <td>Buildings and structures, net</td> <td>18,884</td> <td>21,862</td>	Buildings and structures, net	18,884	21,862
Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Other, net	6,348	5,807
Intangible assets 895 785 Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Total property, plant and equipment	25,232	27,669
Investments and other assets 4,615 5,032 Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060		895	785
Total non-current assets 30,743 33,487 Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060		4,615	5,032
Total assets 99,633 108,734 Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 - Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Total non-current assets		
Liabilities Current liabilities Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Total assets	99,633	
Accounts payable - trade 6,403 6,056 Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Liabilities		· · · · · · · · · · · · · · · · · · ·
Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current borrowings 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Current liabilities		
Short-term borrowings 6,276 8,055 Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current borrowings 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Accounts payable - trade	6,403	6,056
Current portion of bonds payable 1,000 — Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses — 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060			
Current portion of long-term borrowings 5,201 5,601 Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060			_
Lease obligations 73 103 Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060			5,601
Income taxes payable 1,430 2,073 Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060			
Provision for bonuses - 865 Other 7,626 5,763 Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060		1,430	2,073
Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Long-term borrowings 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060		_	865
Total current liabilities 28,012 28,520 Non-current liabilities 39,746 41,949 Long-term borrowings 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Other	7,626	5,763
Non-current liabilities Long-term borrowings 39,746 41,949 Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Total current liabilities	28,012	28,520
Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Non-current liabilities	· · · · · · · · · · · · · · · · · · ·	,
Lease obligations 320 428 Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060	Long-term borrowings	39.746	41.949
Asset retirement obligations 1,191 1,379 Other 344 303 Total non-current liabilities 41,603 44,060			
Other 344 303 Total non-current liabilities 41,603 44,060			
Total non-current liabilities 41,603 44,060	_		
	Total non-current liabilities		
	Total liabilities		

		(Millions of yen)
	Fiscal 2020	First six months of fiscal 2021
	(As of November 30, 2020)	(As of May 31, 2021)
Net assets		
Shareholders' equity		
Share capital	6,925	7,953
Capital surplus	9,332	10,360
Retained earnings	17,578	21,417
Treasury shares	(3,724)	(3,505)
Total shareholders' equity	30,112	36,225
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(0)	1
Remeasurements of defined benefit plans	(98)	(74)
Total accumulated other comprehensive income	(99)	(72)
Share acquisition rights	3	0
Total net assets	30,017	36,153
Total liabilities and net assets	99,633	108,734

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

First Six Months

		(Millions of yen)
	First six months of fiscal 2020	First six months of fiscal 2021
	(From December 1, 2019	(From December 1, 2020
	to May 31, 2020)	to May 31, 2021)
Net sales	115,791	139,231
Cost of sales	97,226	112,913
Gross profit	18,565	26,318
Selling, general and administrative expenses	18,387	19,972
Operating profit	177	6,345
Non-operating income		
Insurance claim income	26	9
Subsidy income	_	51
Gain on sales of scraps	7	8
Other	40	76
Total non-operating income	74	146
Non-operating expenses		
Interest expenses	116	129
Rent cost	3	3
Commission expenses	122	92
Other	32	64
Total non-operating expenses	275	290
Ordinary profit (loss)	(23)	6,201
Extraordinary income		
Subsidies income	85	_
Gain on reversal of share acquisition rights	_	1
Total extraordinary income	85	1
Extraordinary losses		
Loss on disaster	5	_
Infectious disease related loss	90	_
Impairment loss	6	-
Total extraordinary losses	102	_
Profit (loss) before income taxes	(40)	6,203
Income taxes - current	89	1,855
Income taxes - deferred	18	(18)
Total income taxes	108	1,836
Profit (loss)	(148)	4,366
Profit (loss) attributable to owners of parent	(148)	

Quarterly Consolidated Statements of Comprehensive Income First Six Months

		(Millions of yen)
	First six months of fiscal 2020	First six months of fiscal 2021
	(From December 1, 2019	(From December 1, 2020
	to May 31, 2020)	to May 31, 2021)
Profit (loss)	(148)	4,366
Other comprehensive income		
Valuation difference on available-for-sale securities	0	2
Remeasurements of defined benefit plans, net of tax	(7)	24
Total other comprehensive income	(7)	26
Comprehensive income	(156)	4,392
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(156)	4,392
Comprehensive income attributable to non-controlling interests	_	_

(3) Quarterly Consolidated Statements of Cash Flows

First six months of fiscal 2020 (From December 1, 2019 to May 31, 2020) to May 31, 2020 to May 31, 2020) to May 31, 2020 t			(Millions of yen)
Cash flows from operating activities to May 31, 2020) to May 31, 2021) Profit (loss) before income taxes (40) 6,203 Depreciation 1,606 1,795 Impairment loss 6 — Increase (decrease) in allowance for doubtful accounts (1) (1) Increase (decrease) in provision for bonuses 743 865 Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in trade receivables 249 (1,434) Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Interest and dividends received 0 5 Interest and dividends received 0 5		First six months of fiscal 2020	First six months of fiscal 2021
Cash flows from operating activities (40) 6,203 Profit (loss) before income taxes (40) 6,203 Depreciation 1,606 1,795 Impairment loss 6 — Increase (decrease) in allowance for doubtful accounts (1) (1) Increase (decrease) in provision for bonuses 743 865 Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventorics 7,143 120 Increase (decrease) in inventorics 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (11,144) (1,212) Net again (2,817) <t< th=""><th></th><th>(From December 1, 2019</th><th>(From December 1, 2020</th></t<>		(From December 1, 2019	(From December 1, 2020
Cash flows from operating activities (40) 6,203 Profit (loss) before income taxes (40) 6,203 Depreciation 1,606 1,795 Impairment loss 6 — Increase (decrease) in allowance for doubtful accounts (1) (1) Increase (decrease) in provision for bonuses 743 865 Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventorics 7,143 120 Increase (decrease) in inventorics 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (11,144) (1,212) Net again (2,817) <t< th=""><th></th><th>to May 31, 2020)</th><th>to May 31, 2021)</th></t<>		to May 31, 2020)	to May 31, 2021)
Profit (loss) before income taxes (40) 6,203 Depreciation 1,606 1,795 Impairment loss 6 — Increase (decrease) in allowance for doubtful accounts (1) (1) Increase (decrease) in provision for bonuses 743 865 Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in inventories 7,143 120 Increase (decrease) in inventories 7,143 120 Increase (decrease) in inventories 2,411 (346) Other, net 4,552 (3,112) Subtotal 11,923 4,169 Interest paid (115) (128) Increase paid (1,154) (1,212) Net cash provided by (used in) operating activities 283 (36) Cash flows from investing activities 28 (60) Proceeds from windersting activities 28 (60) Proceeds from windrawal of time deposits 9 9 Purchase of property, plant and equip	Cash flows from operating activities	• • • •	
Impairment loss		(40)	6,203
Increase (decrease) in allowance for doubtful accounts	Depreciation	1,606	1,795
Increase (decrease) in provision for bonuses 743 865 Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventories 7,143 120 Increase (decrease) in inventories (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net eash provided by (used in) operating activities (28) (60) Proceeds from investing activities (28) (60) Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (28) (60) (333) Proceeds from refund of guarantee deposits (150) (3,33) Proceeds from refund of guarantee deposits (150) (3,33) Proceeds from refund of guarantee deposits (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from investing activities (3,576) (5,500) Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds (1,249) (2,897) Proceeds from insuance of shares (1,307) (3,500) Proceeds from insuance of shares (1,307) (3,500) Proceeds from insuance of shares (1,307) (3,500) Cash and cash equivalents (40) (53) Net cash provided by (used in) financing activities (4,00) (53) Net cash provided by (used in) financing activ	Impairment loss	6	_
Decrease (increase) in retirement benefit asset (21) (59) Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventories 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (150) 6 Net cash provided by (used in) investing activities (50) 6 Net cash provided by (used in) investing activities (3,576)	Increase (decrease) in allowance for doubtful accounts	(1)	(1)
Interest expenses 116 129 Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventories 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities 9 9 Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (1,249) (2,897) Proceeds from long-term borrowings (1,249) (2,897) Proceeds from long-term borrowings (1,249) (2,897) Proceeds from issuance of shares 31 1,977 Proceeds from issuance of shares (1,307) - Dividends paid (452) (527) Proceeds from disposal of treasury shares (1,307) - Dividends paid (452) (527) Proceeds from disposal of treasury shares (3,376) (3,33) Other, net (40) (53) Recamptorovided by (used in) financing activities (3,376) (3,376) Cash and cash equivalents (3,376) (3,377) Cash and cash equivalents (3,376) (3,377) Cash and cash equivalents (3,377) (3,377) Cash and cash equivalents (3,376) (3,377) Cash and cash equivalents (3,376) Cash and cash equivalents (3,377) Cash an	Increase (decrease) in provision for bonuses	743	865
Decrease (increase) in trade receivables 249 (1,424) Decrease (increase) in inventories 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,332 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) 6 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (4,29) 1,779 <t< td=""><td></td><td>(21)</td><td>(59)</td></t<>		(21)	(59)
Decrease (increase) in inventories 7,143 120 Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of property, plant and equipment (3,215) (3,333) Proceeds from refund of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Vet cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities 6,429 1,779 Proceeds from financing activities 6,429 1,779	Interest expenses	116	129
Increase (decrease) in trade payables (2,411) (346) Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities 28) (60) Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities 6,429 1,779 Proceeds from long-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Reapyments of long-term borrowings - (1,000)	Decrease (increase) in trade receivables	249	(1,424)
Other, net 4,532 (3,112) Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net eash provided by (used in) operating activities 8 660 Cash flows from investing activities 28 660 Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities 3,576) (4,124) Cash flows from financing activities 6,429 1,779 Proceeds from fon ing-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,107) - Redemption of bonds	Decrease (increase) in inventories	7,143	120
Subtotal 11,923 4,169 Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Payments into time deposits (28) (60) Proceeds from withdrawal of time deposits (9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Net increase (decrease) in short-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds -		(2,411)	(346)
Interest and dividends received 0 5 Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities Payments into time deposits (28) (60) Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (5,00) (4,124) Cash flows from fong-term borrowings (1,249) (2,897) Proceeds from long-term borrowings (1,249) (2,897) Redemption of bonds - (1,000) (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) - (1,000) Dividends paid (452) (527) Proceeds from disposal of treasury shares - 239 Other, net (40) (53) Net cash provided by (used in) financing activities (16,210 5,018 Net cash provided by (used in) financing activities (1,001) (2,001) Net cash provided by (used in) financing activities (1,001) (1,001) (1,001) Net cash provided by (used in) financing activities (1,001)	Other, net	4,532	(3,112)
Interest paid (115) (128) Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities 28 (60) Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (50) 6 Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds - (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) -	Subtotal	11,923	4,169
Income taxes paid (1,144) (1,212) Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (3,276) (4,124) Cash flows from financing activities (3,276) (4,124) Cash flows from long-term borrowings 6,429 1,779 Proceeds from long-term borrowings (1,280) 5,500 Repayments of long-term borrowings (1,249) (2,897) Purchase of treas	Interest and dividends received	0	5
Net cash provided by (used in) operating activities 10,663 2,833 Cash flows from investing activities (28) (60) Payments into time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — </td <td>Interest paid</td> <td>(115)</td> <td>(128)</td>	Interest paid	(115)	(128)
Cash flows from investing activities (28) (60) Payments into time deposits 9 9 Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Cash flows from financing activities (3,576) (4,124) Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452)	Income taxes paid	(1,144)	(1,212)
Payments into time deposits (28) (60) Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities - 23 Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds - (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) - Dividends paid (452) (527) Proceeds from disposal of treasury shares - 239 Other, net (40) (53)	Net cash provided by (used in) operating activities	10,663	2,833
Proceeds from withdrawal of time deposits 9 9 Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits - 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities 8 1,779 Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds - (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) - Dividends paid (452) (527) Proceeds from disposal of treasury shares - 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018<	Cash flows from investing activities		
Purchase of property, plant and equipment (3,215) (3,616) Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities 8 1,779 Net increase (decrease) in short-term borrowings 12,800 5,500 Repayments of long-term borrowings 12,800 5,500 Repayments of long-term borrowings 1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 <td>Payments into time deposits</td> <td>(28)</td> <td>(60)</td>	Payments into time deposits	(28)	(60)
Purchase of intangible assets (142) (153) Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities *** *** Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030	Proceeds from withdrawal of time deposits	9	9
Payments of guarantee deposits (150) (333) Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities — 1,779 Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		(3,215)	(3,616)
Proceeds from refund of guarantee deposits — 23 Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities — (4,124) Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443	Purchase of intangible assets	(142)	(153)
Other, net (50) 6 Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (4,124) Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds - (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) - Dividends paid (452) (527) Proceeds from disposal of treasury shares - 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		(150)	(333)
Net cash provided by (used in) investing activities (3,576) (4,124) Cash flows from financing activities (4,124) Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (400) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		_	23
Cash flows from financing activities 6,429 1,779 Net increase (decrease) in short-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443	Other, net	(50)	6
Net increase (decrease) in short-term borrowings 6,429 1,779 Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		(3,576)	(4,124)
Proceeds from long-term borrowings 12,800 5,500 Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443			
Repayments of long-term borrowings (1,249) (2,897) Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		6,429	1,779
Redemption of bonds — (1,000) Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		12,800	5,500
Proceeds from issuance of shares 31 1,977 Purchase of treasury shares (1,307) — Dividends paid (452) (527) Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		(1,249)	(2,897)
Purchase of treasury shares(1,307)—Dividends paid(452)(527)Proceeds from disposal of treasury shares—239Other, net(40)(53)Net cash provided by (used in) financing activities16,2105,018Net increase (decrease) in cash and cash equivalents23,2963,727Cash and cash equivalents at beginning of period11,03027,443	Redemption of bonds	_	(1,000)
Dividends paid(452)(527)Proceeds from disposal of treasury shares-239Other, net(40)(53)Net cash provided by (used in) financing activities16,2105,018Net increase (decrease) in cash and cash equivalents23,2963,727Cash and cash equivalents at beginning of period11,03027,443		31	1,977
Proceeds from disposal of treasury shares — 239 Other, net (40) (53) Net cash provided by (used in) financing activities 16,210 5,018 Net increase (decrease) in cash and cash equivalents 23,296 3,727 Cash and cash equivalents at beginning of period 11,030 27,443		(1,307)	_
Other, net(40)(53)Net cash provided by (used in) financing activities16,2105,018Net increase (decrease) in cash and cash equivalents23,2963,727Cash and cash equivalents at beginning of period11,03027,443		(452)	
Net cash provided by (used in) financing activities16,2105,018Net increase (decrease) in cash and cash equivalents23,2963,727Cash and cash equivalents at beginning of period11,03027,443	Proceeds from disposal of treasury shares	_	239
Net increase (decrease) in cash and cash equivalents23,2963,727Cash and cash equivalents at beginning of period11,03027,443	Other, net	(40)	()
Cash and cash equivalents at beginning of period 11,030 27,443			5,018
		23,296	3,727
Cash and cash equivalents at end of period 34,326 31,170		11,030	27,443
	Cash and cash equivalents at end of period	34,326	31,170

(4) Notes to the Quarterly Consolidated Financial Statements (Uncertainties of entity's ability to continue as going concern)

None

(Segment information, etc.)

Segment information is omitted as the Group has only a single segment, which is engaged in automobile sales and associated services.

(Significant events after reporting period)

None