



November 1, 2024

## Consolidated Financial Results for the Six Months Ended March 31, 2025 (Under Japanese GAAP)

Company name: TOKAI Holdings Corporation Listing: Tokyo Stock Exchange  
Securities code: 3167 URL: <https://www.tokaiholdings.co.jp/english/>  
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Scheduled date to file quarterly securities report: November 13, 2024  
Scheduled date to commence dividend payments: November 29, 2024  
Preparation of supplementary material on quarterly financial results: Yes  
Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate 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   |                 |     |                  |     |                 |      |   |         |
| September 30, 2024 | 111,088         | 5.6 | 4,660            | 9.5 | 4,882           | 12.1 | 2,390                                   | 7.7     |
| September 30, 2023 | 105,226         | 1.1 | 4,254            | 0.0 | 4,355           | 79.1 | 2,219                                   | 1,403.4 |

Note: Comprehensive income For the six months ended September 30, 2024: ¥2,222 million [-51.2%]  
For the six months ended September 30, 2023: ¥4,553 million [307.5%]

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
|                    | Yen                      | Yen                        |
| Six months ended   |                          |                            |
| September 30, 2024 | 18.00                    | 18.29                      |
| September 30, 2023 | 17.00                    | -                          |

#### (2) Consolidated financial position

|                    | Total assets    | Net assets      | Equity-to-asset ratio |
|--------------------|-----------------|-----------------|-----------------------|
|                    | Millions of yen | Millions of yen | %                     |
| As of              |                 |                 |                       |
| September 30, 2024 | 200,043         | 91,358          | 44.5                  |
| March 31, 2024     | 205,301         | 91,300          | 43.4                  |

Reference: Equity  
As of September 30, 2024: ¥88,967 million  
As of March 31, 2024: ¥89,034 million

### 2. Cash dividends

|  | Annual dividends per share |           |           |          |       |
|--|----------------------------|-----------|-----------|----------|-------|
|  | End of Q1                  | End of Q2 | End of Q3 | Year-end | Total |
|  | Yen                        | Yen       | Yen       | Yen      | Yen   |
| Fiscal year ended March 31, 2024             | -                          | 16.00     | -         | 17.00    | 33.00 |
| Fiscal year ending March 31, 2025            | -                          | 17.00     |           |          |       |
| Fiscal year ending March 31, 2025 (Forecast) |                            |           | -         | 17.00    | 34.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

### 3. Consolidated Earnings Forecasts for the Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(% figures 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                  |
| Year ending March 31, 2025 | 244,000         | 5.4 | 16,000           | 3.2 | 16,000          | 3.0 | 9,000                                   | 6.1 | 68.90                |

Note: Revisions to the forecast of consolidated earnings most recently announced: None

#### \*Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

New company : 4 (FujiPro Co., Ltd., Gatto Co., Ltd., PT TOKAICOM Mitra Indonesia, TOKAI Human Resource Evol Co., Ltd.)

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

- (3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes  
(ii) Changes in accounting policies due to other reasons: None  
(iii) Changes in accounting estimates: None  
(iv) Restatement: None

Note: Please refer to the attached document, page 10, section 2 "Consolidated Interim Financial Statements and Significant Notes (4) Notes on Consolidated Interim Financial Statements (Notes on Changes in Accounting Policies)" for more details.

- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

|                          |                    |
|--------------------------|--------------------|
| As of September 30, 2024 | 139,679,977 shares |
| As of March 31, 2024     | 139,679,977 shares |

- (ii) Number of treasury shares at the end of the period

|                          |                  |
|--------------------------|------------------|
| As of September 30, 2024 | 9,039,945 shares |
| As of March 31, 2024     | 9,051,754 shares |

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

|                                 |                    |
|---------------------------------|--------------------|
| Six months ended March 31, 2025 | 130,632,295 shares |
| Six months ended March 31, 2024 | 130,591,637 shares |

(Note) Board benefit trust shares (BBT) is included in the number of year-end treasury stock.(720,000 stocks at Q2 FYE3/2025, 730,500 stocks at FYE3/2024)

In addition, the treasury stock to be deducted in the calculation of the average number of shares during the period includes the Company's stock held by the Board Benefit Trust (BBT) (726,942 stocks at Q2 FYE3/2025, 764,618 stocks at Q2 FYE3/2024).

- \* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

- \* Explanation regarding the Appropriate Uses of Earnings Forecasts and Other Notes

All earnings forecasts provided within this document are based on the most accurate information available at the time of the release of this document. Actual results may differ from forecasts due to various factors going forward.

Contents

|   |    |
|---|----|
| 1. Qualitative Information on Financial Results for the Period Under Review                           |    |
| (1) Explanation of Consolidated Operating Results .....   | 2  |
| (2) Explanation of Consolidated Financial Position .....  | 3  |
| (3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Information .....         | 4  |
| 2. Quarterly Consolidated Financial Statements and Notes  |    |
| (1) Quarterly Consolidated Balance Sheets .....   | 5  |
| (2) Quarterly Consolidated Statement of Income, Consolidated Statements of Comprehensive Income ..... | 7  |
| (3) Quarterly Consolidated Statements of Cash Flows .....   | 9  |
| (4) Notes on Quarterly Consolidated Financial Statements .....  | 10 |
| (Notes on Going Concern Assumptions) .....  | 10 |
| (Notes on Significant Changes in Shareholders' Equity) .....  | 10 |
| (Note on Changes in Accounting Policies) .....  | 10 |
| (Segment Information, etc.) .....   | 10 |

## 1. Qualitative Information on Financial Results for the Period Under Review

### (1) Explanation of Consolidated Operating Results

During the first six months of the fiscal year under review, the economy achieved a moderate recovery. While some sectors continued to struggle, signs of an improvement in the employment situation and a turnaround in consumer spending were evident. Nonetheless, the outlook remains uncertain, with the downward risks of the overseas economy, inflation, the situation in the Middle East and fluctuations in the financial capital market, among other factors.

The ongoing fiscal year is the second fiscal year under the Medium-Term Management Plan 2025 for the period until the fiscal year ending March 31, 2026. For the first six months of the fiscal year under review, the Group saw the number of continuing customers rise by 41,000, to 3,399,000, compared with growth of 28,000 in the same period of the previous fiscal year. The number of TLC members rose 27,000 to 1,242,000. For the same period a year earlier, the figure surged 30,000. Mainly because of a rise in the number of group customers, net sales stood at 111,088 million yen, up 5.6% year on year, operating profit at 4,660 million yen, up 9.5% year on year, ordinary profit at 4,882 million yen, up 12.1% year on year, and profit attributable to owners of parent at 2,390 million yen, up 7.7% year on year.

Notable events during the first six months of the fiscal year under review include the acquisition of shares of Fujipro Corporation, based in the city of Chigasaki, Kanagawa Prefecture, in April 2024. The company operating an LP gas business thus became a consolidated subsidiary. In the same month, the Group established a joint venture company, PT TOKAICOM Mitra Indonesia, in the city of South Jakarta in the Republic of Indonesia with PT Sisnet Mitra Sejahtera, a provider of IT-related services in the country, for the purpose of operating and expanding the cloud service-related business and the cloud personnel development business in Indonesia. It commenced full-scale operation this past September. In August, the Company launched its third base in the Kyushu in the city of Kagoshima in Kagoshima Prefecture with a view to expanding its business foundations. It serves as a sales base for LP gas.

As part of its human capital management, the Company enhanced its program of childcare and nursing care support for employees in April, and partly revised the TOKAI Group Health Management Charter in June. The Company thus worked to improve employees' engagement.

Performance by segment is indicated below.

### (Energy)

In the LP gas business, the number of customers increased 26,000 from the end of the previous fiscal year to 804,000. This resulted from an increase in consolidated subsidiaries and from efforts to gain new customers. Net sales reached 37,552 million yen (up 9.1% year on year), driven by the increase in customers and an upward revision of selling prices in line with purchase prices.

In the city gas business, the number of customers remained at 74,000, the same level as the end of the previous fiscal year. Net sales reached 7,854 million yen (down 8.0%) due to the effects of the gas rate adjustment system.

As a result, in this segment, net sales stood at 45,406 million (up 5.7%). With its initiatives to cut costs together with initiatives to gain customers, the segment posted an operating loss of 65 million yen (whereas an operating loss of 740 million yen was posted for the same period a year earlier).

### (Information and Communications)

In the business for consumers, efforts made to obtain customers included the formation of a tie-up with a large mobile phone carrier in the ISP business and in the mobile business. As a result, the number of broadband customers rose by 2,000 from the end of the previous fiscal year to 670,000. In contrast, the number of LIBMO customers decreased 2,000 from the end of the previous fiscal year to 78,000. Net sales stood at 11,709 million yen (down 3.2% year on year) for reason of a decline in ARPU.

In the business for corporate clients, net sales came to 16,652 million yen, up 8.4% year on year, reflecting steady growth in career services and cloud services.

On aggregate, this segment's net sales reached 28,361 million yen (up 3.3%). Operating profit came to 1,694 million yen (down 20.3%), attributable partly to a surge in costs for structural enhancement and depreciation in association with network reinforcement.

### (CATV)

In the CATV business, the Group focused on providing local information and the production of programs as a community-based service provider. The Group collaborated with major video distributors and made other efforts to enhance content. Due to aggressive sales activities in new areas, the broadcasting services customer

count rose to 920,000, an increase of 2,000 from the end of the previous fiscal year. The communications services customer count increased to 403,000, a rise of 9,000 from the end of the previous fiscal year.

Net sales in this segment stood at 18,058 million yen (up 1.8%), and operating profit came to 2,909 million yen (up 4.1%).

#### (Construction, Equipment, and Real Estate)

In the Construction, Equipment, and Real Estate business, orders received for construction works were strong and a large land lot for business use was sold. In this segment, net sales stood at 11,944 million yen (up 9.1% year on year) and operating profit at 375 million yen (up 84.4%).

#### (Aqua)

Regarding the Aqua business, efforts to expand the customer base through event sales at large commercial facilities, web acquisition, telemarketing, etc., resulted in an increase of 13,000 customers from the end of the previous consolidated fiscal year, reaching 180,000 customers.

Net sales in this segment stood at 4,784 million yen (up 23.2% year on year). Operating profit came to 133 million yen (down 30.7%), chiefly reflecting an increase in sales expenses for gaining customers.

#### (Others)

Net sales in the nursing care business stood at 719 million yen (up 3.2%), reflecting an increase in the number of users. In the ship repair business, net sales amounted to 783 million yen (up 22.9%), following a hike in volume of repair works. In the bridal events business, net sales stood at 546 million yen (down 0.5%). While general receptions mainly for corporations and various organizations increased, the number of couples having weddings decreased.

Net sales in this segment stood at 2,532 million yen (up 12.2%). Due mainly to an increase in operating expenses, the Group posted an operating loss of 135 million yen (compared with an operating loss of 47 million yen in the same period of the previous fiscal year).

## (2) Explanation of Consolidated Financial Position

### 1) Assets, Liabilities, and Net Assets

Total assets at the end of the first six months under review stood at 200,043 million yen, a decrease of 5,257 million yen from the end of the previous fiscal year. This was due to a fall of 5,855 million yen in notes and accounts payable – trade and contract assets, mainly for seasonal reasons, and a decline of 2,505 million in other in current accounts, chiefly following a slide in accounts receivable – other and others, which were partly offset by an increase of 1,900 million yen in goodwill.

Total liabilities came to 108,685 million yen, a decrease of 5,314 million yen from the end of the previous fiscal year. This was due chiefly to slides of 5,188 million yen in notes and accounts payable – trade, of 3,789 million yen in other in current liabilities, mainly reflecting a decrease in accounts payable - other, and of 1,100 million yen in income taxes payable, which were partly offset by increases of 2,872 million yen in long-term borrowings and of 1,387 million yen in short-term borrowings.

Total net assets were 91,358 million yen, an increase of 57 million yen from the end of the previous fiscal year. This was due mainly to profit attributable to owners of parent posted at 2,390 million yen despite dividends of surplus of 2,233 million yen.

### 2) Cash Flows

Cash and cash equivalents (“cash”) as of September 30, 2024 were 5,109 million yen, a decrease of 494 million yen from the end of the previous fiscal year.

Cash flows in the first six months under review and major contributing factors are as follows.

#### (Cash Flow from Operating Activities)

Net cash provided by operating activities was 9,783 million yen (3,981 million yen less year on year). Cash inflows were attributable primarily to profit before income taxes, a decrease in notes and accounts payable, and depreciation, a non-cash account, which were partially offset by income taxes paid and a decrease in notes and accounts payable-trade, among other cash outflows.

#### (Cash Flow from Investing Activities)

Net cash used in investing activities 9,247 million yen (457 million yen higher year on year). Cash outflows were attributable primarily to the purchase of tangible and intangible assets and the purchase of shares of subsidiaries resulting in a change in scope of consideration.

(Cash Flow from Financing Activities)

Net cash used in financing activities was 1,032 million yen (1,986 million yen higher year on). Loans payable and other cash inflows were more than offset by cash outflows, year including repayment of loans payable, repayments of lease obligations and payment of cash dividends.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Information

Results in the first six months of the fiscal year under review were roughly as forecast. The earnings forecasts for the fiscal year ending March 31, 2025 announced on May 9, 2024 remain unchanged.

The earnings forecasts are based on information available at the time of publication. Actual results may differ from the forecasts due to a variety of factors.

## 2. Quarterly Consolidated Financial Statements and Notes

### (1) Quarterly Consolidated Balance Sheets

(Millions of yen)

|  | Fiscal Year Ended<br>March 31, 2024 | Six Months Ended<br>September 30, 2024 |
|--|-------------------------------------|--|
| <b>Assets</b>  |                                     |  |
| Current assets   |                                     |  |
| Cash and deposits  | 5,758                               | 5,324                                  |
| Notes and accounts receivable - trade, and contract assets | 30,241                              | 24,385                                 |
| Merchandise and finished goods                             | 4,627                               | 4,835                                  |
| Work in process  | 959                                 | 1,540                                  |
| Raw materials and supplies                                 | 1,530                               | 1,530                                  |
| Other  | 12,080                              | 9,575                                  |
| Allowance for doubtful accounts                            | - 478                               | - 484                                  |
| Total current assets                                       | 54,719                              | 46,707                                 |
| Non-current assets   |                                     |  |
| Property, plant and equipment                              |                                     |  |
| Buildings and structures, net                              | 37,345                              | 36,986                                 |
| Machinery, equipment and vehicles, net                     | 26,869                              | 26,646                                 |
| Land   | 24,909                              | 25,175                                 |
| Other, net   | 25,173                              | 25,393                                 |
| Total property, plant and equipment                        | 114,298                             | 114,200                                |
| Intangible assets  |                                     |  |
| Goodwill   | 5,422                               | 7,322                                  |
| Other  | 4,671                               | 4,949                                  |
| Total intangible assets                                    | 10,093                              | 12,272                                 |
| Investments and other assets                               |                                     |  |
| Net defined benefit asset                                  | 6,448                               | 6,515                                  |
| Other  | 20,017                              | 20,707                                 |
| Allowance for doubtful accounts                            | - 280                               | - 362                                  |
| Total investments and other assets                         | 26,185                              | 26,860                                 |
| Total non-current assets                                   | 150,578                             | 153,333                                |
| Deferred assets  | 3                                   | 2                                      |
| <b>Total assets</b>  | <b>205,301</b>                      | <b>200,043</b>                         |

(Millions of yen)

|   | Fiscal Year Ended<br>March 31, 2024 | Six Months Ended<br>September 30, 2024 |
|---|-------------------------------------|--|
| <b>Liabilities</b>                                    |                                     |  |
| Current liabilities                                   |                                     |  |
| Notes and accounts payable–trade                      | 19,825                              | 14,636                                 |
| Short-term borrowings                                 | 14,190                              | 15,578                                 |
| Income taxes payable                                  | 3,056                               | 1,956                                  |
| Other provisions                                      | 1,796                               | 2,159                                  |
| Other   | 22,891                              | 19,102                                 |
| Total current liabilities                             | 61,761                              | 53,433                                 |
| Non-current liabilities                               |                                     |  |
| Long-term borrowings                                  | 32,105                              | 34,978                                 |
| Other provisions                                      | 398                                 | 389                                    |
| Retirement benefit liability                          | 1,523                               | 1,622                                  |
| Other   | 18,211                              | 18,261                                 |
| Total non-current liabilities                         | 52,238                              | 55,251                                 |
| <b>Total liabilities</b>                              | <b>114,000</b>                      | <b>108,685</b>                         |
| <b>Net assets</b>                                     |                                     |  |
| Shareholders' equity                                  |                                     |  |
| Capital stock   | 14,000                              | 14,000                                 |
| Capital surplus                                       | 25,570                              | 25,571                                 |
| Retained earnings                                     | 42,804                              | 42,962                                 |
| Treasury stock  | - 2,562                             | - 2,554                                |
| Total shareholders' equity                            | 79,812                              | 79,979                                 |
| Accumulated other comprehensive income                |                                     |  |
| Valuation difference on available-for-sale securities | 3,363                               | 3,443                                  |
| Deferred gains or losses on hedges                    | 1,143                               | 916                                    |
| Foreign currency translation adjustment               | 939                                 | 1,057                                  |
| Remeasurements of defined benefit plans               | 3,773                               | 3,570                                  |
| Total accumulated other comprehensive income          | 9,221                               | 8,988                                  |
| Share acquisition rights                              | 50                                  | 48                                     |
| Non-controlling interests                             | 2,216                               | 2,342                                  |
| <b>Total net assets</b>                               | <b>91,300</b>                       | <b>91,358</b>                          |
| <b>Total liabilities and net assets</b>               | <b>205,301</b>                      | <b>200,043</b>                         |



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

(Quarterly Consolidated Statements of Income)

(Six-months Ended September 30, 2024)

(Millions of yen)

|  | Six Months Ended<br>September 30, 2023<br>(April 1, 2023 to<br>September 30, 2023) | Six Months Ended<br>September 30, 2024<br>(April 1, 2024 to<br>September 30, 2024) |
|--|--|--|
| Sales  | 105,226  | 111,088  |
| Cost of sales  | 64,715   | 68,535   |
| Gross profit   | 40,510   | 42,552   |
| Selling, general and administrative expenses                   | 36,255   | 37,892   |
| Operating profit   | 4,254  | 4,660  |
| Non-operating profit   |  |  |
| Interest income  | 5  | 8  |
| Dividend income  | 133  | 173  |
| Commission fee   | 13   | 27   |
| Other  | 172  | 245  |
| Total non-operating profit                                     | 325  | 454  |
| Non-operating expenses   |  |  |
| Interest expenses  | 147  | 191  |
| Other  | 76   | 41   |
| Total non-operating expenses                                   | 224  | 233  |
| Recurring profit   | 4,355  | 4,882  |
| Extraordinary income   |  |  |
| Gain on sales of non-current assets                            | 167  | 0  |
| Gain on sale of investment securities                          | —  | 109  |
| Transmission line equipment subsidy                            | 23   | 36   |
| Subsidy income   | 2  | 3  |
| Total extraordinary income                                     | 193  | 149  |
| Extraordinary losses   |  |  |
| Loss on sales of non-current assets                            | —  | 0  |
| Loss on retirement of non-current assets                       | 597  | 663  |
| Loss on valuation of investment securities                     | 33   | 65   |
| Total extraordinary losses                                     | 630  | 729  |
| Quarterly net income before income taxes                       | 3,918  | 4,302  |
| Income taxes (current)   | 1,831  | 1,715  |
| Income taxes (deferred)  | -199   | 132  |
| Total income taxes   | 1,632  | 1,848  |
| Quarterly net income   | 2,286  | 2,453  |
| Quarterly net income attributable to non-controlling interests | 66   | 63   |
| Quarterly net income attributable to owners of the parent      | 2,219  | 2,390  |

(Consolidated Statements of Comprehensive Income)  
(Six-months Ended September 30, 2024)

(Millions of yen)

|   | Six Months Ended<br>September 30, 2023<br>(April 1, 2023 to<br>September 30, 2023) | Six Months Ended<br>September 30, 2024<br>(April 1, 2024 to<br>September 30, 2024) |
|---|--|--|
| Quarterly net income  | 2,286  | 2,453  |
| Other comprehensive income  |  |  |
| Valuation difference on available-for-sale securities                             | 760  | 79   |
| Deferred gains (losses) on hedges   | 1,490  | - 227  |
| Foreign currency translation adjustment   | 10   | 3  |
| Remeasurements of defined benefit plans, net of tax                               | -159   | - 202  |
| Share of other comprehensive income of entities accounted for using equity method | 165  | 116  |
| Total other comprehensive income  | 2,267  | - 231  |
| Quarterly comprehensive income  | 4,553  | 2,222  |
| (Breakdown)   |  |  |
| Quarterly comprehensive income attributable to owners of the parent               | 4,486  | 2,157  |
| Quarterly comprehensive income attributable to non-controlling interests          | 67   | 65   |

## (3) Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

|  | Six Months Ended<br>September 30, 2023<br>(April 1, 2023 to<br>September 30, 2023) | Six Months Ended<br>September 30, 2024<br>(April 1, 2024 to<br>September 30, 2024) |
|--|--|--|
| <b>Cash flows from operating activities</b>                                      |  |  |
| Quarterly net income before income taxes   | 3,918  | 4,302  |
| Depreciation   | 7,800  | 8,098  |
| Amortization of goodwill   | 483  | 577  |
| Increase (decrease) in net defined benefit asset and liability                   | -189   | - 285  |
| Interest and dividend income   | -139   | - 182  |
| Loss (gain) on sales of investment securities                                    | —  | - 109  |
| Interest expenses  | 147  | 191  |
| Share of loss (profit) of entities accounted for using equity method             | 37   | 0  |
| Loss (gain) on sale of property, plant and equipment                             | -167   | 0  |
| Loss (gain) on valuation of investment securities                                | 33   | 65   |
| Loss on retirement of non-current assets   | 597  | 663  |
| Decrease (increase) in trade receivables   | 8,127  | 6,763  |
| Decrease (increase) in inventories   | -26  | - 708  |
| Increase (decrease) in trade payables  | -4,377   | - 5,287  |
| Increase (decrease) in accounts payable – other                                  | -330   | - 1,523  |
| Increase (decrease) in deposits received   | -867   | - 1,472  |
| Other  | 229  | 1,041  |
| Subtotal   | 15,239   | 12,135   |
| Income taxes paid  | -1,474   | - 2,351  |
| Net cash provided by (used in) operating activities                              | 13,765   | 9,783  |
| <b>Cash flows from investing activities</b>                                      |  |  |
| Interest and dividend income received  | 165  | 221  |
| Purchase of securities   | -1,014   | - 8  |
| Proceeds from sales of securities  | —  | 179  |
| Purchase of tangible and intangible assets                                       | -8,663   | - 7,760  |
| Proceeds from sales of tangible and intangible assets                            | 504  | 277  |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | —  | - 2,695  |
| Loan advances  | -560   | —  |
| Proceeds from collection of loans receivable                                     | 6  | 568  |
| Other  | -142   | - 28   |
| Net cash provided by (used in) investing activities                              | -9,704   | - 9,247  |
| <b>Cash flows from financing activities</b>                                      |  |  |
| Interest expenses paid   | -151   | - 188  |
| Net increase (decrease) in short-term loans payable                              | 1,784  | 825  |
| Repayments of lease obligations  | -2,417   | - 2,624  |
| Proceeds from long-term loans payable  | 5,400  | 8,800  |
| Repayment of long-term loans payable   | -5,525   | - 5,673  |
| Payments for acquisition of treasury stock                                       | -0   | - 0  |
| Cash dividends paid  | -2,099   | - 2,232  |
| Other  | -9   | 62   |
| Net cash provided by (used in) financing activities                              | -3,018   | - 1,032  |
| Effect of exchange rate change on cash and cash equivalents                      | 16   | 1  |
| Net increase (decrease) in cash and cash equivalents                             | 1,058  | - 494  |
| Cash and cash equivalents at beginning of period                                 | 4,028  | 5,604  |
| Cash and cash equivalents at end of period                                       | 5,086  | 5,109  |

(4) Notes on Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumptions)

Not applicable

(Notes on Significant Changes in Shareholders' Equity)

Not applicable

(Note on Changes in Accounting Policies)

(Application of Accounting Standard for Corporate Income Taxes, Inhabitant Taxes, and Business Taxes)

We have applied the Accounting Standard for Corporate Income Taxes, Inhabitant Taxes, and Business Taxes (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022, hereinafter referred to as the "2022 Revised Accounting Standard") from the beginning of the first six months of the current consolidated fiscal period.

Regarding the amendments related to the classification of corporate taxes, etc. (taxation on other comprehensive income), we are following the transitional treatment stipulated in the proviso of Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment stipulated in Paragraph 65-2(2) of the Implementation Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022, hereinafter referred to as the "2022 Revised Implementation Guidance"). The application of this accounting standard has no impact on the semi-annual consolidated financial statements.

Furthermore, regarding the amendments related to the review of the treatment in the consolidated financial statements of gains and losses arising from the sale of subsidiary shares, etc., among consolidated companies, we have applied the 2022 Revised Implementation Guidance from the beginning of the first six months of the current consolidated fiscal period. The application of this accounting standard has no impact on the semi-annual consolidated financial statements.

(Segment Information, etc.)

We have changed the order of the reporting segments from the first consolidated accounting period. As a result, we have also changed the order of the reporting segments for the second consolidated cumulative period in the same way.

[Segment Information]

I. Six Months Ended September 30, 2023 (April 1, 2023 to September 30, 2023)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

|  | Reportable segments |  |        |   |       |          | Other<br>*1 | Total   | Adjustments<br>*2 | Amount in<br>quarterly<br>consolidated<br>statement of<br>income *3 |
|--|---------------------|--|--------|---|-------|----------|-------------|---------|-------------------|---|
|  | Energy              | Information<br>and<br>Communicat<br>ions | CATV   | Construction<br>,<br>Equipment,<br>and Real<br>Estate | Aqua  | Subtotal |             |         |                   |   |
| Net sales                                  |                     |  |        |   |       |          |             |         |                   |   |
| Sales to<br>external<br>customers          | 42,952              | 27,457                                   | 17,732 | 10,943  | 3,883 | 102,968  | 2,257       | 105,226 | —                 | 105,226   |
| Intra-<br>segment<br>sales and<br>transfer | 78                  | 2,692                                    | 209    | 475   | 139   | 3,595    | 164         | 3,760   | - 3,760           | —   |
| Subtotal                                   | 43,030              | 30,150                                   | 17,941 | 11,419  | 4,022 | 106,564  | 2,422       | 108,986 | - 3,760           | 105,226   |
| Segment<br>profit (loss)                   | - 740               | 2,125                                    | 2,795  | 203   | 192   | 4,576    | - 47        | 4,529   | - 274             | 4,254   |

(Notes) 1. The "Others" category is a business segment not included in the reportable segments. This category includes businesses such as weddings, ship repair, insurance, and nursing care.

2. Adjustments to segment profit (loss) are eliminations due to intra-segment transactions.

3. Segment profit (loss) is adjusted to match operating profit in the quarterly consolidated statements of income.

2. Information regarding impairment losses on fixed assets or goodwill for each reporting segment.

(Important impairment losses on fixed assets)

Not applicable

(Important fluctuations in the amount of goodwill)  
Not applicable

(Important negative goodwill arising)  
Not applicable

II. Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

|  | Reportable segments |  |        |   |       |          | Other<br>*1 | Total   | Adjustments<br>*2 | Amount in<br>quarterly<br>consolidated<br>statement of<br>income *3 |
|--|---------------------|--|--------|---|-------|----------|-------------|---------|-------------------|---|
|  | Energy              | Information<br>and<br>Communicat<br>ions | CATV   | Construction<br>,<br>Equipment,<br>and Real<br>Estate | Aqua  | Subtotal |             |         |                   |   |
| Net sales                                  |                     |  |        |   |       |          |             |         |                   |   |
| Sales to<br>external<br>customers          | 45,406              | 28,361                                   | 18,058 | 11,944  | 4,784 | 108,555  | 2,532       | 111,088 | —                 | 111,088   |
| Intra-<br>segment<br>sales and<br>transfer | 88                  | 2,733                                    | 157    | 478   | 139   | 3,598    | 50          | 3,648   | — 3,648           | —   |
| Subtotal                                   | 45,495              | 31,095                                   | 18,216 | 12,422  | 4,923 | 112,154  | 2,582       | 114,736 | — 3,648           | 111,088   |
| Segment<br>profit (loss)                   | — 65                | 1,694                                    | 2,909  | 375   | 133   | 5,047    | — 135       | 4,911   | — 251             | 4,660   |

(Notes) 1. The “Others” category is a business segment not included in the reportable segments. This category includes businesses such as weddings, ship repair, insurance, and nursing care.

2. Adjustments to segment profit (loss) are eliminations due to intra-segment transactions.

3. Segment profit (loss) is adjusted to match operating profit in the quarterly consolidated statements of income.

2. Information regarding impairment losses on fixed assets or goodwill for each reporting segment.

(Important impairment losses on fixed assets)  
Not applicable

(Important fluctuations in the amount of goodwill)  
Omitted due to lack of significance.

(Important negative goodwill arising)  
Omitted due to lack of significance.