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Financial Results
for the six months ended June 30, 2025 — Consolidated
(Based on IFRS)

August 7, 2025

Company name **Sapporo Holdings Limited**

Security code 2501

Listed on Tokyo Stock Exchange (Prime Market); Sapporo Securities Exchange

URL <https://www.sapporoholdings.jp/en/>

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Scheduled dates:

Filing of quarterly financial report August 8, 2025

Commencement of dividend payments -

Supplementary information to the year-end earnings results Available

Quarterly earnings results briefing held Yes
(mainly targeted at institutional investors and analysts)

1. Consolidated Financial Results for the six months ended June 30, 2025
(January 1 – June 30, 2025)

(Amounts in million yen rounded to the nearest million yen)

(1) Operating Results

(Percentage figures represent year-over-year changes)

	Revenue		Core Operating profit		Operating profit		Profit	
	million yen	%	million yen	%	million yen	%	million yen	%
Six months ended June 30, 2025	244,696	(1.2)	6,952	96.2	7,167	(6.1)	1,753	(71.2)
Six months ended June 30, 2024	247,658	3.8	3,544	1.1	7,630	—	6,086	—

	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	million yen	%	million yen	%	Yen	Yen
Six months ended June 30, 2025	1,787	(70.6)	963	(96.1)	22.93	22.91
Six months ended June 30, 2024	6,080	—	24,810	223.8	78.04	77.99

Note: Profit before tax

Six months ended June 30, 2025 4,397 million yen

Six months ended June 30, 2024 9,059 million yen

*Core operating profit is a proprietary profit indicator that measures the performance consistency of our business.

Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

(2) Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	million yen	million yen	million yen	%
Six months ended June 30, 2025	632,207	194,083	193,036	30.5
Year ended December 31, 2024	664,963	197,157	196,030	29.5

2. Dividends

Record date or period	Dividend per share				
	End Q1	End Q2	End Q3	Year-end	Full year
	yen	yen	yen	yen	yen
Year ended December 31, 2024	—	0.00	—	52.00	52.00
Year ended December 31, 2025	—	0.00			
Year ending December 31, 2025 (forecast)			—	60.00	60.00

Note: Changes to the latest dividend forecast announced: None

3. Forecast of Consolidated Earnings for the Year Ending December 31, 2025 (January 1 – December 31, 2025)

(Percentage figures represent year-over-year changes)

	Revenue		Core operating profit		Operating profit		Profit		Profit attributable to owners of parent		Basic earnings per share
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	yen
Year ending December 31, 2025	532,000	0.2	24,500	11.2	20,000	92.0	11,030	41.9	11,000	42.6	141.16

Note: Changes to the latest consolidated results forecast announced: None

4. Other

- (1) Significant changes in the scope of consolidation during the period: Yes
Newly included: None
Excluded: 1 (Sapporo Group Management Ltd.)
- (2) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accounting policies required by IFRS: None
 - 2) Changes other than 1) above: None
 - 3) Changes in accounting estimates: None
- (3) Number of shares issued and outstanding (common stock)
 - 1) Number of shares issued at end of period (treasury stock included):
June 30, 2025: 78,794,298 shares
December 31, 2024: 78,794,298 shares
 - 2) Number of shares held in treasury at end of period:
June 30, 2025: 825,079 shares
December 31, 2024: 870,978 shares
 - 3) Average number of outstanding shares during the period:
June 30, 2025: 77,946,230 shares
June 30, 2024: 77,910,839 shares

Audit Status

The quarterly financial results are outside the scope of audit procedures based on the Financial Instruments and Exchange Act.

Appropriate Use of Earnings Forecasts and Other Important Information

This document contains projections and other forward-looking statements based on information available to the Company as of the date of this document. Actual results may differ from those expressed or implied by forward-looking statements due to various factors. For the assumptions underlying the forecasts herein and other information on the use of earnings forecasts, refer to “1. Analysis of Operating Results and Financial Condition (4) Consolidated Earnings Forecast” on page 8.

Seasonal factors

The Group's operating results are affected by substantial seasonal variations in demand in the Alcoholic Beverages and Food & Soft Drinks businesses. Revenues consequently tend to be lower in the first quarter than in the other three quarters.

1. Analysis of Operating Results and Financial Condition

(1) Operating Results

In this interim consolidated accounting period (January 1 - June 30, 2025), the outlook remained uncertain, driven by concerns over the impact of persistent geopolitical risks, inflation from surging prices of raw materials and energy, and the potential effects of U.S. tariff policies on the global economy.

Under these circumstances, the Sapporo Group continued to implement structural reforms and accelerate growth with the aim of further strengthening profitability in the third year of our “Medium-Term Management Plan (2023-2026),” and has delivered steady results.

Consolidated revenue decreased year-on-year, mainly due to the impact of structural reforms in the Japan Food & Soft Drinks business, despite the increase in revenue in the Real Estate business driven by increased rental income from newly acquired investment properties.

Consolidated core operating profit increased year-on-year, mainly thanks to the Alcoholic Beverages business, which secured profit growth despite the impact from the reaction to price revisions in the domestic market, the effect of higher revenue in the Real Estate business, and the decline in IT investment from the high level recorded in the previous year.

Consolidated operating profit decreased from the same period of the previous year, despite an increase in consolidated core operating profit. This was mainly due to the recognition of impairment losses following the conclusion of agreements to transfer shares in Shinsyu-ichi Miso Co., Ltd. and receivables from the company in the Food & Soft Drinks business, as well as the absence of gains recorded in the previous year from the reversal of impairment losses on fixed assets and the sale of land.

Interim profit attributable to owners of parent decreased year-on-year due to the decline in consolidated operating profit and a shift from foreign exchange gains in the previous year to foreign exchange losses caused by fluctuations in exchange rates.

Summary in key figures

Millions of yen, except percentages

	Revenue	Core operating profit	Operating profit	Profit attributable to owners of parent
Six months ended June 30, 2025	244,696	6,952	7,167	1,787
Six months ended June 30, 2024	247,658	3,544	7,630	6,080
Change (%)	(1.2)	96.2	(6.1)	(70.6)

*Core operating profit is a proprietary profit indicator that measures the performance consistency of our business. Core operating profit is calculated as Revenue – Cost of sales – SG&A expenses.

Results by segment are outlined below.

Alcoholic Beverages

Revenue increased in Japan, despite reactionary effects from the price revisions implemented in April. However, revenue decreased overseas as sales volume of overseas brand beers declined year-on-year. As a result, revenue in the Alcoholic Beverages business overall remained at the same level as in the previous year.

Core operating profit increased year-on-year mainly due to the increase in revenue in the Japan Alcoholic Beverages business.

Operating profit increased year-on-year due to an increase in core operating profit, as well as gains from the sale of the Nasu Plant and other assets.

- Revenue: ¥181.0 billion (down ¥0.0 billion, or 0.0% year-on-year)
- Core operating profit: ¥7.0 billion (up ¥1.6 billion, or 29.7% year-on-year)
- Operating profit: ¥9.1 billion (up ¥2.6 billion, or 40.2% year-on-year)

Details of Alcoholic Beverages (Japan and Overseas) and Restaurants in the Alcoholic Beverages segment were as follows.

Japan

Both the on-trade and off-trade products markets remained, due in part to the reaction to price revisions in April, a deterioration in economic sentiment, and other factors. Total domestic demand for beer-type beverages (beer, happoshu (including happoshu (2))) was estimated at around 96% of the previous year's level. Total domestic demand for beer was estimated to be at roughly 100% year-on-year.

In this fiscal year, we are focusing more on strengthening beer and RTD*, taking into account the alcohol tax revision in October 2026.

In this context, the sales volume of Sapporo Draft Beer Black Label cans remained strong at 109% year-on-year, and that of Yebisu Beer cans was 101% year-on-year, resulting in the Group's total domestic sales volume of beer-type beverages being at 98% of the previous year's level, exceeding total demand. In addition, sales of canned RTDs grew 128% year-on-year.

*: RTD, or ready-to-drink beverages, are pre-mixed, low-alcohol cocktail-like beverages that can be consumed as is immediately after opening.

Overseas

Total demand for beer in North America was estimated to have declined year-on-year. The craft beer market in the U.S. in particular continues to soften, with sales remaining below the previous year's level. As a result, the sales volume of overseas beer brands declined year-on-year.

Sales volume of Sapporo brand beer in North America was 104% year-on-year. Despite the impact of the softening market, shipments within the U.S. continued to grow steadily with the successful expansion of sales channels.

Given the ongoing uncertainty, we will continue to closely monitor changes in consumer sentiment and respond appropriately.

Restaurants

Restaurant demand remained steady as the recovery in foot traffic and consumer spending on in-person services continued gradually with the normalization of socio-economic activities.

Amid this environment, the Sapporo Group's Restaurants business recorded a 103% year-on-year increase in existing store sales thanks to efforts to attract inbound tourists and senior customers, as well as menu and price revisions.

Food & Soft Drinks

Revenue declined year-on-year, mainly due to the effects of structural reforms such as business transfers in the Japan market through last year, as well as a temporary suspension of operations at the Malaysia factory, which handles part of the production of overseas soft drink products, and the impact of a decrease in capacity utilization.

Core operating profit increased compared to the same period of the previous fiscal year despite the impact of rising raw material costs, supported by the positive effects of cost structure reforms.

Operating profit decreased from the same period of the previous year due to the recognition of impairment losses following the conclusion of agreements to transfer shares in Shinsyu-ichi Miso Co., Ltd. and receivables from the company, as well as the absence of gains recorded in the previous year from the reversal of impairment losses on fixed assets and the sale of land.

- Revenue: ¥51.2 billion (down ¥4.1 billion, or 7.4% year-on-year)
- Core operating profit: ¥0.9 billion (up ¥0.7 billion, or 329.2% year-on-year)
- Operating profit: ¥(0.8) billion (compared with a profit of ¥2.1 billion a year earlier)

Details of Food & Soft Drinks (Japan) and Overseas Soft Drinks in the Food & Soft Drinks segment were as follows.

Food & Soft Drinks (Japan)

Total demand for soft drinks in Japan was estimated to be 98% year-on-year. Meanwhile, the main brand in the soft drinks business, Kireto Lemon remained strong at 104% year-on-year, due to new product launches and commercials ahead of the peak soft drink season. Sales of products with unique value such as the Hokkaido Corn Tea series and Hokkaido Furano Hop were also strong with double-digit growth year-on-year. However, the sales amount of the Group's domestic soft drinks overall was 88% year-on-year due to product line revisions.

Sales of the Group's main brand, Pokka Lemon 100, remained strong at 116% year-on-year, following strong sales in the previous year.

Overseas Soft Drinks

At the Malaysia factory, which handles the production of some overseas beverage products, operations were temporarily halted from early March due to packaging issues and capacity utilization declined, resulting in shipping disruptions to various regions. However, operations are now normalizing.

Amid these conditions, sales in Singapore amounted to 86% year-on-year (in local currency terms), affected in part by a market environment where diversifying consumer preferences are driving down demand in existing markets.

In Malaysia, a priority market, despite efforts to expand sales through a new distributor network, sales were impacted by manufacturing conditions and remained at 85% year-on-year (in local currency terms).

Excluding the above, exports to the Middle East resumed in August 2024, bringing sales in the export business to 127% year-on-year (in local currency terms).

Real Estate

In the office leasing market in the Greater Tokyo area, both occupancy rates and average rent levels have been steadily trending upward. Notably, within the five central wards, Shibuya Ward has a relatively low office vacancy rate compared to other wards, which has led to an upward trend in rents.

In this context, revenue increased year-on-year due to improved office occupancy at Yebisu Garden Place, increased demand for outdoor brand products at Sapporo Factory due to continued inbound demand, and an increase in rental income from properties acquired last year.

Core operating profit and operating profit increased year-on-year due to the positive impact of increased revenue, despite the increase in administrative expenses from surging personnel costs.

- Revenue: ¥12.6 billion (up ¥1.2 billion, or 10.8% year-on-year)
- Core operating profit: ¥3.1 billion (up ¥0.7 billion, or 27.5% year-on-year)
- Operating profit: ¥3.0 billion (up ¥0.7 billion, or 30.9% year-on-year)

(2) Consolidated Financial Condition

As of the end of the interim consolidated accounting period, the following were the operative factors in the condition of assets, liabilities and equity.

	(Millions of yen)		
	As of December 31, 2024	As of June 30, 2025	Change
Current assets	193,918	172,100	(21,818)
Non-current assets	471,045	460,108	(10,937)
Total assets	664,963	632,207	(32,756)
Current Liabilities	207,007	191,497	(15,510)
Non-current liabilities	260,799	246,628	(14,171)
Total liabilities	467,805	438,124	(29,681)
Total equity	197,157	194,083	(3,075)
Total liabilities and equity	664,963	632,207	(32,756)

At the end of the interim consolidated accounting period, assets decreased by ¥32.8 billion from the end of the previous consolidated fiscal year to ¥632.2 billion, mainly due to reductions in trade and other receivables resulting from seasonal factors and a decrease in property, plant and equipment caused by foreign exchange effects.

Total liabilities decreased by ¥29.7 billion compared with the end of the previous fiscal year to ¥438.1 billion, as increases in current bonds and borrowings were offset by decreases in other current liabilities due to seasonal factors and decreases in non-current bonds and borrowings.

Equity decreased by ¥3.1 billion from the end of the previous fiscal year to ¥194.1 billion, primarily due to a decrease in retained earnings following the payment of year-end dividends and a decrease in other components of equity from exchange differences on translation of foreign operations, despite the recording of profit attributable to owners of the parent for the interim period.

(3) Consolidated Cash Flows

At the end of the interim consolidated accounting period, cash and cash equivalents (collectively “cash”) decreased by ¥4.5 billion (19%) compared to the end of the previous consolidated fiscal year, amounting to ¥19.6 billion.

The status of each cash flow and the factors contributing to these changes are as follows.

(Millions of yen)

Category	As of June 30, 2024	As of June 30, 2025	Change
Cash flows from operating activities	11,051	10,479	(572)
Cash flows from investing activities	(10,901)	(3,570)	7,331
Free cash flow	150	6,909	6,758
Cash flows from financial activities	288	(9,844)	(10,132)
Effect of exchange rate change on cash and cash equivalents	2,522	(1,530)	(4,053)
Net increase (decrease) in cash and cash equivalents	2,961	(4,466)	(7,426)
Cash and cash equivalents at beginning of period	17,204	24,140	6,936
Cash and cash equivalents included in assets of disposal groups classified as holdings for sale	-	(58)	(58)
Cash and cash equivalents at end of period	20,165	19,617	(548)

(Cash Flows from Operating Activities)

Cash provided by operating activities was ¥10.5 billion (compared to ¥11.1 billion provided in the same period of the previous year). This was mainly due to a decrease in accrued alcohol tax of ¥13.1 billion and payments of income taxes of ¥7.4 billion, which were offset by a decrease in trade and other receivables of ¥20.6 billion and an increase in depreciation and amortization expenses of ¥11.3 billion.

(Cash Flows from Investing Activities)

Cash used in investing activities was ¥3.6 billion (compared to ¥10.9 billion used in the same period of the previous year). This was mainly attributable to cash inflows of ¥3.7 billion from the sale of investment securities and ¥2.1 billion from the redemption of investment securities, which were offset by cash outflows of ¥6.4 billion for the purchase of property, plant and equipment and ¥2.5 billion for the purchase of investment properties.

(Cash Flows from Financing Activities)

Cash used in financing activities was ¥9.8 billion (compared to ¥0.3 billion provided in the same period of the previous year). This was mainly due to an increase in commercial paper of ¥8.0 billion and proceeds from long-term borrowings of ¥1.0 billion, which were offset by cash outflows of ¥12.5 billion for the repayment of long-term borrowings, dividend payments of ¥4.1 billion, and repayments of lease liabilities amounting to ¥1.9 billion.

(4) Consolidated Earnings Forecast

The consolidated earnings forecast for the full fiscal year to December 31, 2025, is unchanged from the forecast announced by the Company on February 14, 2025.

3. Consolidated Financial Statements

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	24,140	19,617
Trade and other receivables	99,458	77,644
Inventories	58,148	60,911
Other financial assets	6,178	4,545
Other current assets	5,340	5,562
Subtotal	193,265	168,279
Assets held for sale	653	3,821
Total current assets	193,918	172,100
Non-current assets		
Property, plant and equipment	157,799	150,919
Investment property	209,176	207,700
Goodwill	22,362	21,991
Intangible assets	6,279	6,232
Investments accounted for using equity method	1,323	526
Other financial assets	67,528	66,697
Retirement benefit asset	409	—
Other non-current assets	3,403	3,329
Deferred tax assets	2,766	2,715
Total non-current assets	471,045	460,108
Total assets	664,963	632,207

(Millions of yen)

	As of December 31, 2024	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	38,027	35,417
Bonds and borrowings	56,996	64,291
Lease liabilities	3,741	3,525
Income taxes payable	7,485	3,598
Other financial liabilities	32,060	34,557
Provisions	8,272	7,419
Other current liabilities	60,426	41,310
Subtotal	207,007	190,119
Liabilities directly associated with assets held for sale	—	1,378
Total current liabilities	207,007	191,497
Non-current liabilities		
Bonds and borrowings	148,117	136,656
Lease liabilities	27,730	25,385
Other financial liabilities	60,987	61,236
Retirement benefit liability	3,297	3,319
Provisions	2,146	2,112
Other non-current liabilities	936	820
Deferred tax liabilities	17,585	17,099
Total non-current liabilities	260,799	246,628
Total liabilities	467,805	438,124
Equity		
Share capital	53,887	53,887
Capital surplus	40,832	40,765
Treasury shares	(1,722)	(1,627)
Retained earnings	65,268	64,607
Other components of equity	37,766	35,405
Total equity attributable to owners of parent	196,030	193,036
Non-controlling interests	1,127	1,046
Total equity	197,157	194,083
Total liabilities and equity	664,963	632,207

(2) Consolidated Statement of Profit or Loss

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Revenue	247,658	244,696
Cost of sales	172,039	167,640
Gross profit	75,619	77,056
Selling, general and administrative expenses	72,075	70,104
Other operating income	5,417	3,404
Other operating expenses	1,330	3,189
Operating profit	7,630	7,167
Finance income	2,893	651
Finance costs	1,503	3,518
Share of profit of investments accounted for using equity method	40	97
Profit before tax	9,059	4,397
Income tax expense	2,973	2,644
Profit	6,086	1,753
Profit attributable to		
Owners of parent	6,080	1,787
Non-controlling interests	6	(34)
Profit	6,086	1,753
Basic earnings per share	78.04	22.93
Diluted earnings per share	77.99	22.91

(3) Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Profit	6,086	1,753
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	8,781	2,068
Remeasurements of defined benefit plans	2,521	(494)
Total of items that will not be reclassified to profit or loss	11,302	1,575
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	7,424	(2,392)
Effective portion of cash flow hedges	(3)	27
Total of items that may be reclassified to profit or loss	7,421	(2,365)
Total other comprehensive income, net of tax	18,724	(790)
Comprehensive income	24,810	963
Comprehensive income attributable to		
Owners of parent	24,703	1,035
Non-controlling interests	106	(72)
Comprehensive income	24,810	963

(4) Consolidated Statement of Changes in Equity

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity				
					Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total other components of equity
Balance at January 1, 2024	53,887	40,754	(1,783)	50,828	8,886	3	29,740	-	38,630
Profit				6,080					-
Other comprehensive income					7,324	(3)	8,781	2,521	18,623
Comprehensive income	-	-	-	6,080	7,324	(3)	8,781	2,521	18,623
Purchase of treasury shares			(9)						-
Disposal of treasury shares			75						-
Dividends				(3,667)					-
Share-based payment transactions		(51)							-
Transfer to retained earnings				7,954			(5,433)	(2,521)	(7,954)
Total transactions with owners	-	(51)	66	4,287	-	-	(5,433)	(2,521)	(7,954)
Balance at June 30, 2024	53,887	40,703	(1,717)	61,195	16,210	-	33,089	-	49,299

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2024	182,315	933	183,248
Profit	6,080	6	6,086
Other comprehensive income	18,623	101	18,724
Comprehensive income	24,703	106	24,810
Purchase of treasury shares	(9)	-	(9)
Disposal of treasury shares	75	-	75
Dividends	(3,667)	(7)	(3,674)
Share-based payment transactions	(51)	-	(51)
Transfer to retained earnings	-	-	-
Total transactions with owners	(3,652)	(7)	(3,658)
Balance at June 30, 2024	203,366	1,033	204,399

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity				
					Exchange differences on translation of foreign operations	Effective portion of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans	Total other components of equity
Balance as of January 1, 2025	53,887	40,832	(1,722)	65,268	12,858	-	24,908	-	37,766
Profit				1,787					-
Other comprehensive income					(2,354)	27	2,068	(494)	(752)
Comprehensive income	-	-	-	1,787	(2,354)	27	2,068	(494)	(752)
Purchase of treasury shares			(54)						-
Disposal of treasury shares		37	149						-
Dividends				(4,057)					-
Share-based payment transactions		(104)							-
Transfer to retained earnings				1,608			(2,102)	494	(1,608)
Total transactions with owners	-	(67)	95	(2,449)	-	-	(2,102)	494	(1,608)
Balance as of June 30, 2025	53,887	40,765	(1,627)	64,607	10,504	27	24,874	-	35,405

	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2025	196,030	1,127	197,157
Profit	1,787	(34)	1,753
Other comprehensive income	(752)	(38)	(790)
Comprehensive income	1,035	(72)	963
Purchase of treasury shares	(54)	-	(54)
Disposal of treasury shares	186	-	186
Dividends	(4,057)	(8)	(4,066)
Share-based payment transactions	(104)	-	(104)
Transfer to retained earnings	-	-	-
Total transactions with owners	(4,029)	(8)	(4,037)
Balance as of June 30, 2025	193,036	1,046	194,083

(5) Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	9,059	4,397
Depreciation and amortization	10,714	11,344
Impairment losses (reversal of impairment losses)	(1,661)	1,595
Interest and dividend income	(668)	(646)
Interest expenses	1,489	1,867
Foreign exchange loss (gain)	(1,608)	1,840
Share of loss (profit) of investments accounted for using equity method	(40)	(97)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	(1,872)	(963)
Decrease (increase) in trade and other receivables	10,191	20,643
Decrease (increase) in inventories	(2,063)	(4,620)
Increase (decrease) in trade and other payables	(1,547)	(1,590)
Increase (decrease) in accrued alcohol tax	(1,819)	(13,122)
Increase or decrease in retirement benefit asset or liability	(645)	(867)
Other	(5,830)	(906)
Subtotal	13,702	18,873
Interest and dividends received	843	642
Interest paid	(1,571)	(1,670)
Income taxes refund (paid)	(1,923)	(7,365)
Net cash provided by (used in) operating activities	11,051	10,479
Cash flows from investing activities		
Purchase of property, plant and equipment	(12,415)	(6,418)
Proceeds from sale of property, plant and equipment	5,221	2,016
Purchase of investment property	(13,229)	(2,477)
Purchase of intangible assets	(995)	(856)
Purchase of investment securities	(777)	(1,755)
Proceeds from sale of investment securities	9,513	3,697
Proceeds from redemption of investment securities	921	2,143
Incomes from refund in capital of subsidiaries and associates	—	810
Proceeds from sale of businesses	1,088	—
Payments for loans receivable	(27)	(44)
Collection of loans receivable	13	2
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	86	—
Other	(301)	(688)
Net cash provided by (used in) investing activities	(10,901)	(3,570)

(Millions of yen)

	Six months ended June 30, 2024	Six months ended June 30, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,500	(513)
Net increase (decrease) in commercial papers	9,000	8,000
Proceeds from long-term borrowings	71	1,000
Repayments of long-term borrowings	(4,502)	(12,503)
Dividends paid	(3,662)	(4,051)
Repayments of lease liabilities	(2,177)	(1,900)
Other	59	123
Net cash provided by (used in) financing activities	288	(9,844)
Effect of exchange rate changes on cash and cash equivalents	2,522	(1,530)
Net increase (decrease) in cash and cash equivalents	2,961	(4,466)
Cash and cash equivalents at beginning of period	17,204	24,140
Cash and cash equivalents included in assets of disposal groups classified as held for sale	—	(58)
Cash and cash equivalents at end of period	20,165	19,617

(6) Notes to the Consolidated Financial Statements
(Going-concern Assumption)

Not applicable