

Note: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

June 14, 2024

## [Summary][Delayed]Summary of Consolidated Financial Results for the Fiscal Year Ended April 30, 2024 (Under Japanese GAAP)



Company name: NIHON HOUSE HOLDINGS Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 1873  
 URL: <http://www.nihonhouse-hd.co.jp/>  
 Representative: Kazuyuki Narita: Chairman, President and Group CEO  
 Inquiries: Koichi Takahashi: Managing Director  
 Telephone: +81-3-5215-9906  
 Scheduled date of annual general meeting of shareholders: July 25, 2024  
 Scheduled date to commence dividend payments: July 26, 2024  
 Scheduled date to file annual securities report: July 25, 2024  
 Preparation of supplementary material on financial results: Yes  
 Holding of 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 fiscal year ended April 30, 2024 (from November 1, 2023 to April 30, 2024)

#### (1) Consolidated operating results

(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	%
Fiscal year ended April 30, 2024	12,890	—	(1,274)	—	(1,455)	—	(1,244)	—
October 31, 2023	39,103	(8.6)	973	(61.4)	684	(70.6)	(47)	—

Note: Comprehensive income For the fiscal year ended April 30, 2024: ¥(1,243) million [— %]  
 For the fiscal year ended October 31, 2023: ¥94 million [(94.3)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
April 30, 2024	(31.11)	—	(5.8)	(3.3)	(9.9)
October 31, 2023	(1.20)	—	(0.2)	1.5	2.5

Reference: Equity in earnings (losses) of affiliates  
 For the fiscal year ended April 30, 2024: ¥ — million  
 For the fiscal year ended October 31, 2023: ¥ — million

Note: In accordance with the change in accounting period, the fiscal year ended April 30, 2024 covered the six months, and therefore no year-on-year changes are provided.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
April 30, 2024	43,222	21,251	48.3	522.44
October 31, 2023	43,705	22,694	51.1	558.78

Reference: Shareholders' equity  
 As of April 30, 2024: ¥20,896 million  
 As of October 31, 2023: ¥22,350 million

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
April 30, 2024	(1,403)	(237)	2,293	5,457
October 31, 2023	2,520	(1,855)	(3,091)	4,804

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
October 31, 2023	—	6.00	—	5.00	11.00	439	—	1.9
Fiscal year ended	—	0.00	—	5.00	5.00	199	—	0.9
April 30, 2024								
Fiscal year ending	—	5.00	—	6.00	11.00		44.0	
April 30, 2025 (Forecast)								

### 3. Consolidated financial results forecasts for the fiscal year ending April 30, 2025 (from May 1, 2024 to April 30, 2025)

(Percentages indicate year-on-year changes for the full year and changes from the same period in the previous year for the first half.)

	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
First half	18,900	—	1,180	—	1,040	—	690	—	17.25
Full year	38,100	—	2,000	—	1,700	—	1,000	—	25.00

Note: In accordance with the change in accounting period, the fiscal year ended April 30, 2024 covered the six months, and therefore no year-on-year changes are provided.

\* **Notes**

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in change in scope of consolidation): None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Change in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Change in accounting policies other than (i): None
- (iii) Change in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of April 30, 2024	40,000,000 shares
As of October 31, 2023	40,000,000 shares

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

As of April 30, 2024	1,793 shares
As of October 31, 2023	1,593 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended April 30, 2024	39,998,351 shares
Fiscal year ended October 31, 2023	39,998,407 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended April 30, 2024 (from November 1, 2023 to April 30, 2024)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
April 30, 2024	10,818	—	(1,303)	—	(1,481)	—	(1,240)	—
October 31, 2023	34,633	(9.5)	827	(63.6)	536	(73.3)	(118)	—

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
April 30, 2024	(31.01)	—
October 31, 2023	(2.97)	—

Note: In accordance with the change in accounting period, the fiscal year ended April 30, 2024 covered the six months, and therefore no year-on-year changes are provided.

**(2) Non-consolidated financial position**

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
April 30, 2024	40,517	19,819	48.9	495.50
October 31, 2023	40,964	21,286	52.0	532.18

Reference: Shareholders' equity

As of April 30, 2024: ¥19,819 million  
As of October 31, 2023: ¥21,286 million

## 2. Non-consolidated financial results forecasts for the fiscal year ending April 30, 2025 (from May 1, 2024 to April 30, 2025)

(Percentages indicate year-on-year changes for the full year and changes from the same period in the previous year for the first half.)

	Net sales		Ordinary profit		Profit		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	16,600	—	1,000	—	670	—	16.75
Full year	33,500	—	1,640	—	970	—	24.25

Note: In accordance with the change in accounting period, the fiscal year ended April 30, 2024 covered the six months, and therefore no year-on-year changes are provided.

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

\* Explanation of proper use of financial results forecasts and other special matters

(Note on forward-looking statements, etc.)

Forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Actual results may differ substantially due to various factors.

Consolidated Financial Statements  
(1) Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	4,957	5,609
Notes receivable, accounts receivable from completed construction contracts and other	2,218	1,206
Costs on construction contracts in progress	457	834
Real estate for sale	3,914	3,269
Merchandise and finished goods	84	110
Raw materials and supplies	449	454
Other	517	466
Allowance for doubtful accounts	(3)	(3)
<b>Total current assets</b>	<b>12,595</b>	<b>11,948</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	45,902	46,123
Machinery, vehicles, tools, furniture and fixtures	4,387	4,404
Land	10,304	10,329
Leased assets	3,823	3,837
Construction in progress	188	11
Accumulated depreciation and impairment	(36,888)	(37,537)
<b>Total property, plant and equipment</b>	<b>27,718</b>	<b>27,168</b>
Intangible assets	480	459
Investments and other assets		
Investment securities	241	248
Long-term loans receivable	318	314
Retirement benefit asset	709	1,185
Deferred tax assets	626	945
Distressed receivables	7	7
Other	1,218	1,166
Allowance for doubtful accounts	(252)	(252)
<b>Total investments and other assets</b>	<b>2,870</b>	<b>3,615</b>
<b>Total non-current assets</b>	<b>31,069</b>	<b>31,243</b>
Deferred assets		
Bond issuance costs	40	30
<b>Total deferred assets</b>	<b>40</b>	<b>30</b>
<b>Total assets</b>	<b>43,705</b>	<b>43,222</b>

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
<b>Liabilities</b>		
Current liabilities		
Notes payable, accounts payable for construction contracts and other	4,847	2,468
Short-term borrowings	768	3,827
Current portion of bonds payable	120	120
Current portion of long-term borrowings	425	954
Lease liabilities	456	387
Income taxes payable	100	67
Advances received on construction contracts in progress	1,515	2,812
Provision for warranties for completed construction	149	152
Provision for bonuses	418	401
Other	2,392	2,017
Total current liabilities	11,194	13,209
Non-current liabilities		
Bonds payable	1,760	1,640
Long-term borrowings	5,009	4,251
Lease liabilities	913	805
Deferred tax liabilities	18	27
Provision for retirement benefits for directors (and other officers)	852	763
Retirement benefit liability	86	106
Asset retirement obligations	356	343
Other	818	823
Total non-current liabilities	9,816	8,762
Total liabilities	21,010	21,971
<b>Net assets</b>		
Shareholders' equity		
Share capital	3,873	3,873
Capital surplus	20	20
Retained earnings	18,365	16,921
Treasury shares	(0)	(0)
Total shareholders' equity	22,259	20,814
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15	21
Deferred gains or losses on hedges	105	72
Remeasurements of defined benefit plans	(29)	(12)
Total accumulated other comprehensive income	91	81
Non-controlling interests	344	354
Total net assets	22,694	21,251
Total liabilities and net assets	43,705	43,222

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

## Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended April 30, 2024
Net sales	39,103	12,890
Cost of sales	25,161	8,175
Gross profit	13,941	4,714
Selling, general and administrative expenses	12,968	5,989
Operating profit (loss)	973	(1,274)
Non-operating income		
Interest income	5	2
Dividend income	7	3
Gain on forfeiture of unclaimed dividends	3	1
Subsidy income	6	—
Reversal of allowance for doubtful accounts	0	0
Miscellaneous income	35	44
Total non-operating income	57	52
Non-operating expenses		
Interest expenses	220	100
Commission for syndicated loans	11	5
Arrangement fee	15	27
Amortization of bond issuance costs	19	9
Miscellaneous expenses	80	90
Total non-operating expenses	347	233
Ordinary profit (loss)	684	(1,455)
Extraordinary losses		
Loss on retirement of non-current assets	24	30
Other	0	0
Total extraordinary losses	24	30
Profit (loss) before income taxes	659	(1,486)
Income taxes - current	145	52
Income taxes - deferred	542	(304)
Total income taxes	687	(252)
Net loss	(27)	(1,233)
Net profit attributable to non-controlling interests	20	10
Net loss attributable to owners of parent	(47)	(1,244)

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended April 30, 2024
Net loss	(27)	(1,233)
Other comprehensive income		
Valuation difference on available-for-sale securities	11	6
Deferred gains or losses on hedges	119	(32)
Remeasurements of defined benefit plans, net of tax	(8)	17
Total other comprehensive income	122	(9)
Comprehensive income	94	(1,243)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	74	(1,253)
Comprehensive income attributable to non-controlling interests	20	10



## (3) Consolidated Statements of Changes in Equity

Fiscal year ended October 31, 2023 (from November 1, 2022 to October 31, 2023)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,873	20	19,053	(0)	22,947
Changes during period					
Dividends of surplus			(639)		(639)
Net loss attributable to owners of parent			(47)		(47)
Purchase of treasury shares					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(687)	—	(687)
Balance at end of period	3,873	20	18,365	(0)	22,259

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	3	(13)	(20)	(31)	324	23,239
Changes during period						
Dividends of surplus						(639)
Net loss attributable to owners of parent						(47)
Purchase of treasury shares						—
Net changes in items other than shareholders' equity	11	119	(8)	122	20	142
Total changes during period	11	119	(8)	122	20	(545)
Balance at end of period	15	105	(29)	91	344	22,694

Fiscal year ended April 30, 2024 (from November 1, 2023 to April 30, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	3,873	20	18,365	(0)	22,259
Changes during period					
Dividends of surplus			(199)		(199)
Net loss attributable to owners of parent			(1,244)		(1,244)
Purchase of treasury shares				(0)	(0)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	(1,444)	(0)	(1,444)
Balance at end of period	3,873	20	16,921	(0)	20,814

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	15	105	(29)	91	344	22,694
Changes during period						
Dividends of surplus						(199)
Net loss attributable to owners of parent						(1,244)
Purchase of treasury shares						(0)
Net changes in items other than shareholders' equity	6	(32)	17	(9)	10	1
Total changes during period	6	(32)	17	(9)	10	(1,443)
Balance at end of period	21	72	(12)	81	354	21,251

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended April 30, 2024
Cash flows from operating activities		
Profit (loss) before income taxes	659	(1,486)
Depreciation	1,510	792
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in provision for bonuses	(77)	(17)
Increase (decrease) in retirement benefit liability	(259)	(455)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	53	(88)
Interest and dividend income	(12)	(5)
Interest expenses	220	100
Loss (gain) on sale and retirement of non-current assets	24	30
Decrease (increase) in trade receivables	468	1,011
Decrease (increase) in costs on construction contracts in progress	53	(376)
Decrease (increase) in other inventories	494	613
Increase (decrease) in trade payables	(529)	(2,375)
Increase (decrease) in advances received on construction contracts in progress	117	1,297
Increase/decrease in consumption taxes payable/consumption taxes refund receivable	203	(142)
Other, net	302	(241)
Subtotal	3,227	(1,344)
Interest and dividends received	12	5
Interest paid	(218)	(100)
Income taxes paid	(501)	(62)
Income taxes refund	0	98
Net cash provided by (used in) operating activities	2,520	(1,403)
Cash flows from investing activities		
Payments into time deposits	(608)	(189)
Proceeds from withdrawal of time deposits	608	189
Purchase of property, plant and equipment and intangible assets	(1,599)	(236)
Proceeds from collection of loans receivable	20	3
Disbursement of loans	(108)	—
Other, net	(167)	(4)
Net cash provided by (used in) investing activities	(1,855)	(237)
Cash flows from financing activities		
Purchase of treasury shares	—	(0)
Net increase (decrease) in short-term borrowings	(1,552)	3,059
Proceeds from long-term borrowings	615	30
Repayments of long-term borrowings	(1,666)	(257)
Proceeds from sale-and-leaseback payable	725	74
Repayments of lease liabilities	(450)	(257)
Redemption of bonds	(120)	(120)
Commission for syndicate loan	(2)	(34)
Dividends paid	(640)	(200)
Net cash provided by (used in) financing activities	(3,091)	2,293
Net increase (decrease) in cash and cash equivalents	(2,427)	652
Cash and cash equivalents at beginning of period	7,231	4,804
Cash and cash equivalents at end of period	4,804	5,457

Non-Consolidated Financial Statements  
(1) Non-Consolidated Balance Sheets

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	3,227	3,960
Accounts receivable from completed construction contracts	1,823	878
Costs on construction contracts in progress	462	834
Real estate for sale	3,915	3,270
Supplies	15	12
Advance payments to suppliers	68	85
Prepaid expenses	216	281
Advances paid	99	63
Accounts receivable - other	768	622
Other	10	8
Allowance for doubtful accounts	(3)	(3)
Total current assets	10,604	10,014
Non-current assets		
Property, plant and equipment		
Buildings	6,552	6,693
Accumulated depreciation and impairment	(4,829)	(4,864)
Buildings, net	1,723	1,828
Building for lease	34,831	34,909
Cumulative amount of depreciation and total amount of spoil loss	(22,937)	(23,312)
Building for lease, net	11,894	11,597
Structures	227	228
Accumulated depreciation and impairment	(190)	(190)
Structures, net	36	38
Structures for renting	1,452	1,453
Cumulative amount of depreciation and total amount of spoil loss	(819)	(848)
Structures for renting, net	632	605
Machinery and equipment	1,052	1,052
Accumulated depreciation and impairment	(927)	(932)
Machinery and equipment, net	124	120
Vehicles	4	4
Accumulated depreciation and impairment	(3)	(3)
Vehicles, net	0	0
Tools, furniture and fixtures	1,609	1,624
Accumulated depreciation and impairment	(1,071)	(1,130)
Tools, furniture and fixtures, net	537	493
Land	9,807	9,832
Leased assets	3,720	3,733
Accumulated depreciation and impairment	(1,994)	(2,110)
Leased assets, net	1,725	1,622
Construction in progress	188	11
Total property, plant and equipment	26,672	26,151
Intangible assets		
Leasehold interests in land	203	203
Software	62	67
Leased assets	142	120
Other	51	51
Total intangible assets	461	441

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
<b>Investments and other assets</b>		
Investment securities	31	38
Shares of subsidiaries and associates	553	553
Long-term loans receivable	305	301
Long-term loans receivable from shareholders, directors (and other officers) or employees	13	13
Long-term loans receivable from subsidiaries and associates	423	402
Distressed receivables	7	7
Long-term prepaid expenses	184	185
Prepaid pension costs	687	1,128
Guarantee deposits	155	150
Long-term accounts receivable - other	564	517
Deferred tax assets	552	872
Other	14	14
Allowance for doubtful accounts	(306)	(306)
<b>Total investments and other assets</b>	<b>3,186</b>	<b>3,880</b>
<b>Total non-current assets</b>	<b>30,319</b>	<b>30,473</b>
<b>Deferred assets</b>		
Bond issuance costs	40	30
<b>Total deferred assets</b>	<b>40</b>	<b>30</b>
<b>Total assets</b>	<b>40,964</b>	<b>40,517</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable for construction contracts	4,762	2,359
Short-term borrowings	768	3,827
Current portion of bonds payable	120	120
Current portion of long-term borrowings	316	861
Lease liabilities	447	383
Accounts payable - other	371	341
Accrued expenses	378	387
Income taxes payable	68	49
Accrued consumption taxes	240	96
Advances received on construction contracts in progress	1,515	2,812
Deposits received	916	742
Suspense receipt	19	18
Provision for warranties for completed construction	87	90
Provision for bonuses	388	356
Other	408	412
<b>Total current liabilities</b>	<b>10,808</b>	<b>12,859</b>
<b>Non-current liabilities</b>		
Bonds payable	1,760	1,640
Long-term borrowings	4,828	4,125
Lease liabilities	902	795
Long-term deposits received	143	143
Provision for retirement benefits for directors (and other officers)	827	736
Asset retirement obligations	331	318
Other	74	78
<b>Total non-current liabilities</b>	<b>8,869</b>	<b>7,839</b>
<b>Total liabilities</b>	<b>19,678</b>	<b>20,698</b>

(Millions of yen)

	As of October 31, 2023	As of April 30, 2024
Net assets		
Shareholders' equity		
Share capital	3,873	3,873
Capital surplus		
Legal capital surplus	20	20
Total capital surplus	20	20
Retained earnings		
Legal retained earnings	947	947
Other retained earnings	16,324	14,884
Retained earnings brought forward	16,324	14,884
Total retained earnings	17,272	15,831
Treasury shares	(0)	(0)
Total shareholders' equity	21,165	19,725
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	15	21
Deferred gains or losses on hedges	105	72
Total valuation and translation adjustments	120	93
Total net assets	21,286	19,819
Total liabilities and net assets	40,964	40,517

## (2) Non-Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended April 30, 2024
<b>Net sales</b>		
Net sales of completed construction contracts	28,875	8,991
Real estate sales	4,836	1,370
Other sales	921	457
<b>Total net sales</b>	<b>34,633</b>	<b>10,818</b>
<b>Cost of sales</b>		
Cost of sales of completed construction contracts	18,614	5,971
Cost of real estate sales	4,325	1,213
Other costs	1,538	779
<b>Total cost of sales</b>	<b>24,477</b>	<b>7,963</b>
<b>Gross profit</b>		
Gross profit on completed construction contracts	10,261	3,019
Gross profit on real estate sales	511	156
Gross loss – other	(616)	(322)
<b>Total gross profit</b>	<b>10,156</b>	<b>2,854</b>
<b>Selling, general and administrative expenses</b>		
Sales commission	222	120
Advertising expenses	721	277
Remuneration for directors (and other officers)	188	73
Employees' salaries and allowances	3,563	1,553
Provision for bonuses	288	272
Retirement benefit expenses	13	(185)
Provision for retirement benefits for directors (and other officers)	48	(38)
Legal welfare expenses	607	287
Welfare expenses	51	33
Repair expenses	9	4
Book and printing expenses	32	18
Communication expenses	140	69
Travel and transportation expenses	203	106
Utilities expenses	89	44
Entertainment expenses	22	9
Rent expenses	1,273	597
Depreciation	483	277
Supplies expenses	34	15
Vehicle expenses	256	121
Taxes and dues	294	97
Commission	490	245
Insurance expenses	19	9
Experimentation and research expenses	4	1
Miscellaneous expenses	271	142
<b>Total selling, general and administrative expenses</b>	<b>9,328</b>	<b>4,157</b>
<b>Operating profit (loss)</b>	<b>827</b>	<b>(1,303)</b>

(Millions of yen)

	For the fiscal year ended October 31, 2023	For the fiscal year ended April 30, 2024
<b>Non-operating income</b>		
Interest income	10	4
Dividend income	7	3
Gain on forfeiture of unclaimed dividends	3	1
Reversal of allowance for doubtful accounts	0	0
Miscellaneous income	18	38
<b>Total non-operating income</b>	<b>40</b>	<b>47</b>
<b>Non-operating expenses</b>		
Interest expenses	195	88
Commission for syndicated loans	11	5
Interest expenses on bonds	20	9
Amortization of bond issuance costs	19	9
Arrangement fee	15	27
Miscellaneous expenses	69	85
<b>Total non-operating expenses</b>	<b>331</b>	<b>226</b>
Ordinary profit (loss)	536	(1,481)
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	22	30
<b>Total extraordinary losses</b>	<b>22</b>	<b>30</b>
Profit (loss) before income taxes	513	(1,511)
Income taxes – current	88	35
Income taxes – deferred	543	(306)
<b>Total income taxes</b>	<b>632</b>	<b>(271)</b>
Net loss	(118)	(1,240)



## (3) Non-Consolidated Statements of Changes in Equity

Fiscal year ended October 31, 2023 (from November 1, 2022 to October 31, 2023)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	3,873	20	—	20	928	17,101	18,030
Changes during period							
Dividends of surplus					18	(658)	(639)
Net loss						(118)	(118)
Purchase of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	18	(777)	(758)
Balance at end of period	3,873	20	—	20	947	16,324	17,272

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(0)	21,924	3	(13)	(10)	21,913
Changes during period						
Dividends of surplus		(639)				(639)
Net loss		(118)				(118)
Purchase of treasury shares		—				—
Net changes in items other than shareholders' equity			11	119	131	131
Total changes during period	—	(758)	11	119	131	(627)
Balance at end of period	(0)	21,165	15	105	120	21,286

Fiscal year ended April 30, 2024 (from November 1, 2023 to April 30, 2024)

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings
					Retained earnings brought forward		
Balance at beginning of period	3,873	20	—	20	947	16,324	17,272
Changes during period							
Dividends of surplus						(199)	(199)
Net loss						(1,240)	(1,240)
Purchase of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	—	(1,440)	(1,440)
Balance at end of period	3,873	20	—	20	947	14,884	15,831

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(0)	21,165	15	105	120	21,286
Changes during period						
Dividends of surplus		(199)				(199)
Net loss		(1,240)				(1,240)
Purchase of treasury shares	(0)	(0)				(0)
Net changes in items other than shareholders' equity			6	(32)	(26)	(26)
Total changes during period	(0)	(1,440)	6	(32)	(26)	(1,467)
Balance at end of period	(0)	19,725	21	72	93	19,819