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**Consolidated Financial Results for the Six Months Ended April 30, 2025**  
**(Under Japanese GAAP)**

June 13, 2025

Company name	H.I.S. Co., Ltd			
Listing	Tokyo Stock Exchange			
Securities code	9603			
URL	https://www.his.co.jp			
Representative	(Title)	President and Representative Director	(Name)	Yada Motoshi
Inquiries	(Title)	Executive Officer, General Manager of Accounting and Finance Headquarters	(Name)	Hanazaki Osamu
Tel.	050-1746-4188			
Semi-annual statement filing date (as planned)	June 13, 2025			
Dividend payable date (as planned)	July 11, 2025			
Supplemental material of results:	Yes			
Convening briefing of results:	Yes (For institutional investors)			

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

1. Consolidated financial results for the six months ended April 30, 2025 (from November 1, 2024 to April 30, 2025)

(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 April 30, 2025	181,313	12.7	6,721	21.6	6,881	17.8	3,798	4.1
Six months ended April 30, 2024	160,930	56.2	5,529	—	5,840	—	3,648	—

Note:	Six months ended	4,099	Million yen	((23.9)%)	Six months ended	5,385	Million yen	(-)
Comprehensive income	April 30, 2025				April 30, 2024			

	Basic earnings per share	Diluted earnings per share
Six months ended April 30, 2025	Yen 50.84	Yen 47.90
Six months ended April 30, 2024	48.83	45.94

## (2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of April 30, 2025	374,962	66,052	14.7	738.65
As of October 31, 2024	412,200	62,343	12.6	695.47

Reference:	As of April 30, 2025	55,195 Million yen	As of October 31, 2024	51,968 Million yen
Equity capital				

## 2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
Fiscal year ended October 31, 2024	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending October 31, 2025	—	10.00			
Fiscal year ending October 31, 2025 (Forecast)			—	10.00	20.00

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

3. Consolidated financial forecast for the fiscal year ending October 31, 2025 (from November 1, 2024 to October 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
Entire fiscal year	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
	390,000	13.6	12,000	10.6	11,000	5.3	7,700	(11.7)	103.05

Note:Revisions to the earnings forecasts most recently announced : None

\* Notes

(1) Significant changes in scope of consolidation during the period : Yes

Newly included: None companies (Company name) None

Excluded: 3 companies (Company name)VIAJES H.I.S. MADRID, S.A., H.I.S POLAND Sp. z o.o., H.I.S. EUROPE ITALY S.R.L.

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : Yes

(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

(4) Number of issued shares (common shares)

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

② Number of treasury shares at the period end

③ Average number of shares

As of April 30, 2025	79,860,936shares	As of October 31, 2024	79,860,936shares
As of April 30, 2025	5,136,668shares	As of October 31, 2024	5,136,658shares
Six months ended April 30, 2025	74,724,272shares	Six months ended April 30, 2024	74,717,294shares

\* These semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

The above forecasts are based on the information available as of the date of announcement of these materials and make assumptions as of the date of announcement of these materials about uncertain factors affecting future business performance. Actual results may vary greatly depending on various factors.

## 1. Overview of business results

### (1) Overview of business results for the current half year

In the business environment during the first half of the current consolidated fiscal year, the economy has been in a gradual recovery trend thanks in part to improvements in the employment and income environment and the effects of various policies, even though it is necessary to pay yet more attention to the effects of continuing price hikes and U.S. trade policy.

In the travel market, the number of foreign visitors to Japan continued the momentum from the record-breaking 2024 and reached 21.12 million in the current half year, 125.9% of the level for the same period of the previous fiscal year. The overseas travel market has been impacted by economic factors, such as inflation and fuel price hikes, as well as other factors, including international instability. Nonetheless, the number of Japanese overseas travelers has been recovering at a gradual pace and reached 6.84 million, 115.9% of the level for the same period of the previous fiscal year. (Source: Japan National Tourism Organization (JNTO))

Under these conditions, we worked to promote business with an eye toward being the preferred company of choice, full of enterprising spirit and bringing the world together under the banner of "Unleash your feeling KOKORO ODORU" (Let Your Heart Dance), the H.I.S. Group Purpose, in order to achieve sustainable growth for the whole group by expanding our wide range of businesses, primarily travel.

Segment results are as follows. Also, the amount for each segment is the amount before inter-segment transactions elimination.

#### (Travel business)

In our overseas travel business, for departures in February and March, sales for Hawaii, Micronesia, Europe, and the Middle East were strong, thanks to graduation trips and spring break and our success in attracting families and seniors, while for departures in April, the Golden Week holiday schedule and the reduction in the number of flights and aircraft, mainly by South Korean LCCs, impacted the number of customers for Asia, which drives sales. Our main spring initiative was called the "Spring Travel Campaign". We offered discounts on Air Z products combining airfare and hotels and worked to strengthen our appeal for April through June departures.

In addition, we held the "HIS Big Thanks Festival" event to encourage people to rediscover the charm of travel, participated in the "Overseas Travel Expansion Project," which aims for the full recovery of overseas travel throughout the industry, and implemented the "Campaign to Support Obtaining a New Passport" at our company.

In the domestic travel business, Okinawa, which is one of our core destinations, drove up the number of visitors by strengthening post-arrival services, including by expanding bus tours to popular sightseeing spots on southern Okinawa Island and on Ishigaki Island. "Dynamic Packages", which combine airline tickets and hotels, showed strong growth thanks to the JAL campaign. The Orion Group, a group company, saw both sales and the number of visitors for one-day and overnight ski and snowboard bus tours increase thanks to the unusually heavy snowfall in recent years that allowed ski resorts to stay open through the end of the season.

As a PR gold partner of the "Japan International Exposition 2025 (Osaka-Kansai Expo 2025) Expo 2025" held in Yumeshima, Osaka from April 13, we conducted the "Kansai Campaign" to further boost the excitement and to capture demand for individual and group travel.

In the inbound travel business, group tours from Europe and the U.S. remained strong, with the Golden Route of staple destinations (Tokyo, Hakone, Mt. Fuji, Kyoto, and Osaka) particularly popular. In individual travel, the Company's inbound travel division achieved record monthly sales for the second consecutive month by strengthening bus tours on its own online site and through global OTAs to capture the growing demand for visits to Japan during the cherry blossom season. We also worked to promote sales of individual travel products through NATAS Travel, which is the largest travel exposition in Singapore and worked to build relationships with local travel companies and open up new avenues for attracting customers.

In the corporate business, the company travel to overseas, including incentive tours, inspection tours, and educational tours, remained strong both within Japan and overseas. We worked to improve profitability by strengthening value-added services during travel in addition to travel planning and arrangement. In the government and municipal business, we teamed up with various regions for regional

branding and event management, etc. In the project to create new destinations, which we are promoting together with SATOYUME CO., LTD., with whom we formed a capital and business alliance last year, we signed new agreements with three local governments to promote regional revitalization.

In the overseas travel business, the inbound business of customer service for visitors to Japan led the performance of the travel business in the first half of the fiscal year thanks to the recovery of overseas travel demand from Japan. Especially in Europe, package tours from Japan were strong, and in Italy, the number of customers from Asia other than Japan increased as a result of efforts to attract more customers such as “pilgrimage tours” to celebrate the Vatican’s Holy Year, which led to the opening up of new global markets. We also increased the number of our customers in Southeast Asian nations by creating demand for seasonal travel, such as the Yi Peng Sky Lantern festival in Thailand, in addition to group tours to Bali and charter flights to Vietnam. In Canada, which drove strong performance of outbound overseas travel, we were affected by such factors as falling prices caused by the decelerating economy, but on the other hand demand for business travel by local companies in various nations increased and our business in leisure travel in local markets remained steady.

Our Group has 152 sales branches in Japan and 143 in 110 cities in 57 countries overseas. (As of April 30, 2025)

As a result of the above, net sales for the current half year were 149,558 million yen (year-on-year 113.9%), operating profits were 5,607 million yen (year-on-year 118.9%) and EBITDA-based earnings were 7,696 million yen (year-on-year 112.8%).

#### (Hotel business)

In the hotel business, both occupancy and room rates increased from the same period of the previous year thanks to the steady recovery of the lodging market in various countries, and both sales and profits remained steady. For hotels in Japan, our collaborations with various companies drew attention and the number of foreign visitors to Japan increased, so hotels in popular tourism locations maintained high occupancy rates, which drove the performance of our hotel business. In addition, we worked to further promote lodging demand with such campaigns as the “Henn na Hotel 5 Million Guest Thanks Sale”, which celebrated “Henn na Hotel” reaching a cumulative total of 5 million guests. For overseas hotels, “Henn na Hotel Seoul” in South Korea continued to do well thanks to stable levels of global guests.

As a result of the above, net sales for the current half year were 12,405 million yen (108.2% year-on-year), operating profits were 1,920 million yen (108.4% year-on-year), and EBITDA-based earnings were 3,911 million yen (103.4% year-on-year).

#### (Kyushu Sanko Group)

The Kyushu Sanko Group’s overall bus business, airline agency business, and food and beverage and merchandise sales business performed well, driven by the revitalization of the flow of guests thanks to demand from visitors to Japan and the effect of a Taiwanese company (TSMC) entering the market. In its core bus business, the number of express bus passengers grew strongly to 111.4% year-on-year, thanks to an increase in foreign visitors to Japan and domestic tourists. Although the number of charter bus runs was 93.9% of the same period in the previous fiscal year, the continued effect of fare revisions led to increased revenue. Also, in the airline agency business, commission income increased thanks to the increased flights by Starlux Airlines, for whom Kyushu Sanko provides ground handling services, and with a rise in Starlux quality reputation rewards accompanying an improved reputation for quality, sales and profits rose. Also, in Kyushu Sanko’s restaurant and product sales business, the North Kumamoto Outbound Service Area, was reopened after being renovated for the first time in the 53 years since it first opened and we worked to increase restaurant and product sales business.

As a result of the above, net sales for the current half year were 12,663 million yen (105.9% year-on-year), operating profits were 5,800 million yen (173.3% year-on-year), and EBITDA-based earnings were 1,350 million yen (115.4% year-on-year).

As a result of the above, our group's operating results for the first half of the current consolidated fiscal year were as follows: net sales 181,313 million yen (112.7% year-on-year), operating profits 6,721 million yen (121.6% year-on-year), ordinary profits 6,881 million yen (117.8% year-on-year) and half-year profit attributable to owners of parent 3,798 million yen (104.1% year-on-year).

(2) Overview of financial position during the current half year

Total assets at the end of the current half year decreased 37,238 million yen from the end of the previous period to 374,962 million yen, mainly due to a decrease in cash and deposits (down 33,753 million yen from the end of the previous period), notes and accounts receivable-trade and contract assets (down 2,128 million yen) and tangible fixed assets (down 1,791 million yen) despite an increase in travel advance payments (up 1,924 million yen).

Liabilities at the end of the current consolidated fiscal half-year decreased 40,946 million yen from the end of the previous period to 308,910 million yen, mainly due to a decrease in the current portion of convertible bonds type bonds with share acquisition rights (down 25,000 million yen), a decrease in deposits received of subsidy (down 6,364 million yen), and a decrease in accounts payable-other (down 4,786 million yen), despite an increase in travel advances received (up 3,657 million yen).

Net assets at the end of the current consolidated fiscal half-year increased 3,708 million yen from the end of the previous fiscal year to 66,052 million yen, mainly due to an increase in retained earnings (up 3,737 million yen from the end of the previous period) resulting from the recording of half-year profit attributable to owners of parent, despite a decrease in foreign currency translation adjustments (down 165 million yen from the end of the previous period).

(Cash flows status)

The balance of cash and cash equivalents (hereinafter, "funds") at the end of the first half of the current consolidated fiscal year was 98,418 million yen, a decrease of 33,799 million yen from the end of the previous consolidated fiscal year.

The status of each cash flow and the factors causing this through the first half of the current consolidated fiscal year are as follows.

[Cash flows from operating activities]

Operating activities increased funds by 1,367 million yen (12,455 million yen increase in the first half of the previous consolidated fiscal year). The main factors were that although funds were decreased by a decrease in other liabilities including deposits received (13,143 million yen), an increase in travel advance payments (2,171 million yen), and a decrease in trade payables (1,230 million yen), on the other hand funds were increased by increases in half-year profit before income taxes (6,593 million yen), depreciation (5,411 million yen), a non-cash item, and travel advances received (3,994 million yen), and decreases in accounts receivable-trade and contract assets (1,672 million yen).

The main factors in the increase in funds in the first half of the previous consolidated fiscal year were that although funds were decreased by an increase in travel advance payments (1,915 million yen) and a decrease in other liabilities including deposits received (3,717 million yen), on the other hand funds were increased by increases in half-year profit before income taxes (6,121 million yen), travel advances received (7,174 million yen), and depreciation (5,379 million yen), a non-cash item.

[Cash flows from investing activities]

Investing activities resulted in a decrease in funds of 3,987 million yen (versus an increase of 4,826 million yen in the first half of the previous consolidated fiscal year). The main factors were that funds were increased by income from withdrawal of time deposits (5,553 million yen), while on the other hand funds were decreased by expenditures for payments into time deposits (5,703 million yen) and expenditures for purchase of tangible and intangible fixed assets (3,644 million yen).

The main factors for the increase in the first half of the previous consolidated fiscal year were

that funds were decreased by payments into time deposits (11,659 million yen) and purchase of securities (10,155 million yen), while on the other hand funds were increased by proceeds from withdrawal of time deposits (27,683 million yen).

[Cash flows from financing activities]

Financing activities resulted in a decrease in funds of 30,974 million yen (compared to a 19,423 million yen decrease in the first half of the previous consolidated fiscal year), mainly due to expenditures for the redemption of bonds (25,000 million yen), income from borrowing, and expenditures for repayment of loans payable (4,320 million yen).

The decrease in funds in the first half of the previous consolidated fiscal year was mainly due to income from borrowings and expenditures for the repayment of borrowings (2,579 million yen) and redemption of bonds (15,000 million yen).

As a result of the above, the balance of funds at the end of the first half of the current consolidated fiscal year decreased by 33,799 million yen from the end of the previous consolidated fiscal year to 98,418 million yen.

(3) Review of consolidated financial forecasts and other future forecast information

Based on the results of the first half of the current consolidated fiscal year and other factors, there are no changes to the full-year consolidated earnings forecast for the fiscal year ending October 31, 2025 that was announced on March 31, 2025.

(4) Profit Distribution Basic Policy and Dividends from Surplus

The Group recognizes the return of profits to shareholders as one of its important management policies. While working to improve the corporate value of the Group, we intend to comprehensively consider the global situation and trends in the travel industry, strengthening of our corporate quality, future business development, and other factors, and to stably and continuously distribute company profits according to our actual results.

For the half-year dividend, the Board of Directors resolved today to pay an interim dividend of 10 yen per share for the common shares outstanding as of April 30, 2025, the dividend record date. There was no change from the previous forecast for the end-of-period dividend (announced March 31, 2025).

## 2. Semi-annual consolidated financial statements and main notes

### (1) Semi-annual consolidated balance sheet

(Millions of yen)

	As of October 31, 2024	As of April 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	138,145	104,392
Notes and accounts receivable - trade, and contract assets	25,413	23,284
Trade accounts receivable	670	764
Securities	22	0
Travel advance payments	10,942	12,867
Prepaid expenses	2,227	2,435
Short-term loans receivable	278	157
Short-term loans receivable from subsidiaries and associates	200	66
Accounts receivable - other	18,464	17,841
Other	7,726	7,449
Allowance for doubtful accounts	(1,774)	(1,793)
Total current assets	202,316	167,466
Non-current assets		
Property, plant and equipment		
Buildings, net	73,788	75,920
Tools, furniture and fixtures, net	2,413	2,664
Land	71,304	71,475
Leased assets, net	11,383	10,637
Construction in progress	3,718	188
Other, net	1,497	1,427
Total property, plant and equipment	164,104	162,313
Intangible assets		
Goodwill	1,956	1,763
Other	13,975	13,742
Total intangible assets	15,931	15,505
Investments and other assets		
Investment securities	3,302	3,090
Shares of subsidiaries and associates	2,516	3,219
Investments in capital of subsidiaries and associates	104	102
Long-term loans receivable from subsidiaries and associates	1,068	1,374
Retirement benefit asset	929	927
Deferred tax assets	9,449	9,204
Guarantee deposits	9,077	8,760
Other	4,140	4,133
Allowance for doubtful accounts	(799)	(1,190)
Total investments and other assets	29,789	29,622
Total non-current assets	209,825	207,441
Deferred assets	58	54
Total assets	412,200	374,962

(Millions of yen)

	As of October 31, 2024	As of April 30, 2025
<b>Liabilities</b>		
Current liabilities		
Trade accounts payable	12,441	10,823
Short-term borrowings	9,852	8,930
Current portion of convertible-bond-type bonds with share acquisition rights	25,000	—
Current portion of long-term borrowings	67,673	89,438
Accounts payable - other	23,681	18,894
Accrued expenses	5,424	5,092
Income taxes payable	1,181	1,992
Accrued consumption taxes	907	1,022
Travel advance received	36,851	40,509
Deposits received of subsidy	8,178	1,813
Lease liabilities	2,660	2,456
Provision for bonuses	5,161	5,160
Provision for bonuses for directors (and other officers)	198	117
Other	28,962	27,072
Total current liabilities	228,175	213,324
Non-current liabilities		
Bonds payable	5,000	5,000
Long-term borrowings	91,569	66,373
Deferred tax liabilities	3,988	3,717
Retirement benefit liability	6,080	6,094
Provision for retirement benefits for directors (and other officers)	466	477
Lease liabilities	10,109	9,410
Other	4,465	4,511
Total non-current liabilities	121,681	95,585
Total liabilities	349,857	308,910
<b>Net assets</b>		
Shareholders' equity		
Share capital	100	100
Capital surplus	27,645	27,603
Retained earnings	24,226	27,963
Treasury shares	(13,015)	(13,015)
Total shareholders' equity	38,957	42,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	8	(73)
Deferred gains or losses on hedges	72	(37)
Foreign currency translation adjustment	12,584	12,419
Remeasurements of defined benefit plans	345	234
Total accumulated other comprehensive income	13,011	12,543
Share acquisition rights	282	204
Non-controlling interests	10,093	10,652
Total net assets	62,343	66,052
Total liabilities and net assets	412,200	374,962



( 2 ) Semi-annual consolidated income statement and Semi-annual consolidated comprehensive income statement  
(Semi-annual consolidated income statement)

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Net sales	160,930	181,313
Cost of sales	107,687	122,164
Gross profit	53,242	59,149
Selling, general and administrative expenses	47,713	52,428
Operating profit	5,529	6,721
Non-operating income		
Interest income	610	687
Foreign exchange gains	367	—
Subsidy income	558	835
Other	302	852
Total non-operating income	1,839	2,376
Non-operating expenses		
Interest expenses	1,176	996
Foreign exchange losses	—	498
Other	351	720
Total non-operating expenses	1,527	2,215
Ordinary profit	5,840	6,881
Extraordinary income		
Gain on sale of non-current assets	316	—
Gain on sale of shares of subsidiaries and associates	350	100
Gain on reversal of share acquisition rights	—	165
Total extraordinary income	666	265
Extraordinary losses		
Impairment losses	385	159
Provision of allowance for doubtful accounts	—	394
Total extraordinary losses	385	553
Profit before income taxes	6,121	6,593
Income taxes	1,832	2,064
Profit	4,288	4,528
Profit attributable to non-controlling interests	640	730
Profit attributable to owners of parent	3,648	3,798

(Semi-annual consolidated comprehensive income statement)

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Profit	4,288	4,528
Other comprehensive income		
Valuation difference on available-for-sale securities	51	(87)
Deferred gains or losses on hedges	43	(108)
Foreign currency translation adjustment	1,029	(124)
Remeasurements of defined benefit plans, net of tax	(38)	(108)
Share of other comprehensive income of entities accounted for using equity method	10	(0)
Total other comprehensive income	1,096	(429)
Comprehensive income	5,385	4,099
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,898	3,426
Comprehensive income attributable to non-controlling interests	487	673

## ( 3 ) Semi-annual consolidated cash flows statement

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Cash flows from operating activities		
Profit before income taxes	6,121	6,593
Depreciation	5,379	5,411
Impairment losses	385	159
Amortization of goodwill	209	202
Increase (decrease) in provision for bonuses	848	17
Increase (decrease) in provision for bonuses for directors (and other officers)	8	(80)
Increase (decrease) in retirement benefit liability	(34)	(95)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(83)	13
Interest and dividend income	(614)	(1,054)
Foreign exchange losses (gains)	(578)	158
Interest expenses	1,176	996
Loss (gain) on sale of property, plant and equipment	(316)	—
Loss (gain) on sale of shares of subsidiaries and associates	(350)	(100)
Gain on reversal of share acquisition rights	—	(165)
Other loss (gain)	(620)	374
Decrease (increase) in accounts receivable - trade, and contract assets	(1,897)	1,672
Decrease (increase) in travel advance payments	(1,915)	(2,171)
Decrease (increase) in other assets	2,299	1,626
Increase (decrease) in trade payables	673	(1,230)
Increase (decrease) in accrued consumption taxes	(889)	165
Increase (decrease) in accrued expenses	550	(185)
Increase (decrease) in travel advances received	7,174	3,994
Increase (decrease) in other liabilities	(3,717)	(13,143)
Subtotal	13,811	3,158
Interest and dividends received	582	1,009
Interest paid	(1,115)	(1,068)
Income taxes refund (paid)	(822)	(1,731)
Net cash provided by (used in) operating activities	12,455	1,367
Cash flows from investing activities		
Payments into time deposits	(11,659)	(5,703)
Proceeds from withdrawal of time deposits	27,683	5,553
Purchase of securities	(10,155)	(47)
Proceeds from sale of securities	—	69
Proceeds from redemption of securities	151	—
Purchase of property, plant and equipment and intangible assets	(3,452)	(3,644)
Proceeds from sale of property, plant and equipment and intangible assets	1,933	2
Purchase of investment securities	(166)	(130)
Proceeds from sale of investment securities	60	104
Purchase of shares of subsidiaries and associates	—	(569)
Proceeds from sale of shares of subsidiaries and associates	864	100
Purchase of shares of subsidiaries resulting in change in scope of consolidation	—	(69)
Loan advances	(114)	(168)
Proceeds from collection of loans receivable	156	135
Payments of guarantee deposits	(741)	(392)
Proceeds from refund of guarantee deposits	344	684
Other, net	(78)	87
Net cash provided by (used in) investing activities	4,826	(3,987)

(Millions of yen)

	Six months ended April 30, 2024	Six months ended April 30, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	48,174	22,460
Repayments of short-term borrowings	(82,155)	(23,368)
Proceeds from long-term borrowings	46,270	41,119
Repayments of long-term borrowings	(14,869)	(44,531)
Redemption of bonds	(15,000)	(25,000)
Dividends paid to non-controlling interests	(53)	(188)
Purchase of treasury shares	(0)	(0)
Proceeds from share issuance to non-controlling shareholders	—	43
Repayments to non-controlling shareholders	(297)	(172)
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	—	78
Other, net	(1,491)	(1,415)
Net cash provided by (used in) financing activities	(19,423)	(30,974)
Effect of exchange rate change on cash and cash equivalents	1,097	(235)
Net increase (decrease) in cash and cash equivalents	(1,043)	(33,829)
Cash and cash equivalents at beginning of period	110,836	132,217
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	53	30
Cash and cash equivalents at end of period	109,846	98,418

(Notes to Segment Information)

[Segment information]

I First half of previous consolidated fiscal year (from November 1, 2023 to April 30, 2024)

1. Information on the amount of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Travel business	Hotel business	Kyushu Sanko Group	Total				
Net sales								
Sales to external customers	130,818	11,242	11,949	154,010	6,919	160,929	0	160,930
Intersegment sales/transfers	544	225	7	778	701	1,479	(1,479)	—
Total	131,363	11,468	11,957	154,789	7,620	162,409	(1,479)	160,930
Segment profit	4,714	1,771	293	6,779	105	6,885	(1,356)	5,529

Notes 1. The "Other" category is a business segment that is not included in any reporting segment. It includes segments as follows: Theme Park business, Non-life Insurance business and Real Estate business.

2. The segment profit adjustment of -1,356 million yen is company-wide expenses not allocated to any reporting segment. It mainly comprises expenses related to parent company's headquarter administration that do not belong to a reporting segment.

3. Segment profits have been adjusted with the operating profits in the half-year consolidated income statement.

4. The EBITDA for each reporting segment is as follows:

(Millions of yen)

	Travel business	Hotel business	Kyushu Sanko Group	Other	Total
Segment profit	4,714	1,771	293	105	6,885
Depreciation and goodwill amortization	2,106	2,012	877	278	5,273
EBITDA(*)	6,820	3,783	1,170	383	12,159

(\*) EBITDA reflects segment profit plus depreciation and goodwill amortization.

2. Information regarding impairment loss on non-current assets or goodwill by reporting segment  
(Significant impairment loss on non-current assets)

There is no significant impairment loss.

(Significant change in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

None

II Current consolidated fiscal year first half (from November 1, 2024 to April 30, 2025)

1. Information on the amount of sales and profits or losses for each reporting segment

(Millions of yen)

	Reporting segment				Other (Note 1)	Total	Adjustments (Note 2)	Amount on consolidated financial statements (Note 3)
	Travel business	Hotel business	Kyushu Sanko Group	Total				
Net sales								
Sales to external customers	148,988	12,127	12,647	173,763	7,550	181,313	0	181,313
Intersegment sales/transfers	570	277	15	863	1,264	2,128	(2,128)	—
Total	149,558	12,405	12,663	174,627	8,814	183,441	(2,128)	181,313
Segment profit	5,607	1,920	508	8,035	219	8,255	(1,534)	6,721

Notes 1. The "Other" category is a business segment that is not included in any reporting segment. It includes segments as follows: Theme Park business, Non-life Insurance business and Real Estate business.

2. The segment profit adjustment of -1,534 million yen is company-wide expenses not allocated to any reporting segment. It mainly comprises expenses related to parent company's headquarter administration that do not belong to a reporting segment.

3. Segment profits have been adjusted with the operating profits in the half-year consolidated income statement.

4. The EBITDA for each reporting segment is as follows:

(Millions of yen)

	Travel business	Hotel business	Kyushu Sanko Group	Other	Total
Segment profit	5,607	1,920	508	219	8,255
Depreciation and goodwill amortization	2,088	1,991	841	288	5,210
EBITDA(*)	7,696	3,911	1,350	507	13,466

(\*) EBITDA reflects segment profit plus depreciation and goodwill amortization.

2. Information regarding impairment loss on non-current assets or goodwill by reporting segment  
(Significant impairment loss on non-current assets)

There is no significant impairment loss.

(Significant change in the amount of goodwill)

There were no significant changes.

(Significant gain on negative goodwill)

None