

Consolidated Financial Report for the Fiscal Year Ended October 31, 2023 (Japanese GAAP)

December 14, 2023

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Scheduled day of annual shareholders' meeting : January 25, 2024
Scheduled day of commencing dividend payment : –
Scheduled day of submission of a financial report : January 26, 2024
Preparation of supplementary financial data : Yes
Information meeting for financial results to be held : Yes, only in Japanese
(For institutional investors and analysts)

(Figures are rounded down to the nearest one million yen)

1. Consolidated business results for the fiscal year ended October 31, 2023 (November 1, 2022 – October 31, 2023)

(1) Consolidated Operating Results (Figures in percentages denote the year-on-year change)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
October 31, 2023	330,123	13.7	31,986	54.7	27,673	63.1	17,542	608.2
October 31, 2022	290,253	15.6	20,672	–	16,970	–	2,476	–

(Note) Comprehensive income: Fiscal year ended October 31, 2023: 18,384 million yen –%
Fiscal year ended October 31, 2022: -1,495 million yen –%

	Net income per share	Net income per share after dilution	Return on equity	Ratio of recurring profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
October 31, 2023	102.87	93.89	35.7	9.0	9.7
October 31, 2022	15.22	14.41	8.8	5.4	7.1

(Reference) Equity in net income of affiliates: Fiscal year ended October 31, 2023: – million yen
Fiscal year ended October 31, 2022: – million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net asset per share
	Million yen	Million yen	%	Yen
As of October 31, 2023	308,157	58,416	18.9	342.28
As of October 31, 2022	307,626	40,042	13.0	234.46

(Reference) Equity: As of October 31, 2023: 58,364million yen
As of October 31, 2022: 39,980 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Cash and cash equivalents at end of fiscal year
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
October 31, 2023	48,188	-25,661	-35,633	73,299
October 31, 2022	29,369	-17,357	-20,116	85,065

2. Dividend status

	Dividend per share					Total dividends (annual)	Payout ratio (consolidated)	Ratio of dividends to net assets (consolidated)
	Q1	Q2	Q3	Q4	Annual			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
October 31, 2022	—	0.00	—	0.00	0.00	—	—	—
October 31, 2023	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending October 31, 2024(Forecasts)	—	0.00	—	5.00	5.00		4.3	

3. Consolidated Forecasts for the Fiscal Year ending October 31, 2024 (November 1, 2023 - October 31, 2024)

(The percentages indicate the rates of increase or decrease compared with the same period of the previous year)

	Net sales		Operating profit		Recurring profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Interim	170,000	8.2	15,500	2.7	13,500	17.5	8,500	6.5	49.82
Full year	357,000	8.1	35,000	9.4	31,000	12.0	20,000	14.0	117.23

(Notes)

(1) Changes in important subsidiaries during the term :No

New: -- company () Eliminated: -- company ()

(2) Changes in accounting policies and changes or restatement of accounting estimates

1) Changes in accounting policies caused by revision of accounting standards :No

2) Changes in accounting policies other than 1) :No

3) Changes in accounting estimates :No

4) Restatement :No

(3) Number of shares issued (common stock)

1) Number of shares issued at the end of the period (including treasury stock)	As of October 31, 2023	171,048,369 Shares	As of October 31, 2022	171,048,369 Shares
2) Number of treasury stock at the end of the period	As of October 31, 2023	528,494 Shares	As of October 31, 2022	528,434 Shares
3) Average number of shares during the term (consolidated cumulative period)	Fiscal year ended October 31, 2023	170,519,885 Shares	Fiscal year ended October 31, 2022	162,717,242 Shares

* This financial summary falls outside the scope of audit procedures of certified public accountant or audit corporation.

* Explanations and other special notes concerning the appropriate use of business performance forecasts.

The consolidated business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons. For other matters relating to the forecasts, please refer to "1. Qualitative Data, Financial Statements and Other Information".

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1. Qualitative Data, Financial Statements and Other Information

(1) Qualitative data on the consolidated financial results

During the fiscal year ended October 31, 2023 (November 1, 2022, to October 31, 2023), the outlook for the global economy remained uncertain, notwithstanding the easing impact of COVID-19, chiefly because of surging resource and energy prices, price rises around the world, and dramatic fluctuations in foreign exchange rates linked to monetary policies in major countries. Looking at the Japanese economy, with the impact of the COVID-19 pandemic weakening, consumer spending and corporate capital investment in particular began to recover, although prices of goods rose due to rapid increases in resource and energy prices, as well as the depreciation of the yen. Consequently, business conditions were trending toward a moderate recovery.

In this environment, in order to achieve its medium-term business growth strategy; "expansion and seamless connection of our four networks (people, cars, communities and parking facilities)", the Group focused on "returning to the fundamental approach of network expansion" and "promoting digitalization." To return to the fundamental approach of network expansion, the Group returned to pursuing an expansion policy in its businesses, which had been restrained due to the pandemic. To facilitate seamless connections, it accelerated its growth strategy aggressively under the policy of promoting digitalization. Regarding people (or members) which are one of the four networks, the medium-term target of 10 million Times CLUB members was reached in January 2023.

In terms of operating conditions, the provision of services was generally solid both in Japan and overseas, partly due to the effects of measures continued from the previous fiscal year in addition to improvements in the external environment.

As a result, in the consolidated fiscal year under review, the Group posted net sales of 330,123 million yen (+13.7% year on year), an operating profit of 31,986 million yen (+54.7% year on year) and a recurring profit of 27,673 million yen (+63.1% year on year). Profit attributable to owners of parent stood at 17,542 million yen (+608.2% year on year).

Results by business segment are as follows:

Parking Business Japan

While the number of new COVID-19 infections increased temporarily during the fiscal year under review, no activity restrictions were imposed throughout the year, consequently, parking operation remained robust. During the pandemic, the Group conducted selective development limited to parking facilities that would likely turn profitable. Leveraging its expertise in this area, the Group is now conducting business development suited to the conditions in different areas to increase the number of profitable parking facilities. As a result, during the fiscal year under review, 974 new parking facilities were opened. Aiming to improve convenience, the Group worked to build next-generation parking services that increase the ease of entry and exit of vehicles and payments. These include a development for parking which monitors and controls vehicle entry and exit by camera, for PARTNER SERVICES (services for the management of parking lots attached to facilities), and cashless payments through the diversification of means of clearing and settlement.

As a result, in the consolidated fiscal year under review, the numbers of Times PARKING sites and parking spaces managed were 17,639 (+1.4% of the end of the previous fiscal year), and 576,262 (+4.4% of the end of the previous fiscal year). The total number of parking sites managed, including monthly parking and facility management services, was 25,379 (+0.5% of the end of the previous fiscal year), and the total number of parking spaces managed was 761,654 (+3.9% of the end of the previous fiscal year). Net sales in this segment (including intersegment sales) stood at 167,915 million yen (+5.7% year on year), and operating profit amounted to 36,909 million yen (+7.9% year on year).

Parking Business International

In the United Kingdom, among the regions in which the Group operates businesses, parking operation continued to recover from the COVID-19 pandemic and were generally strong. In Australia, although parking operations were recovering moderately, the recovery from the pandemic was slower than expected, especially in urban areas, and sales were soft. In other regions, parking operation performed well.

The Group promoted the development and mass production of short-term contract parking facilities suited for demand for parking sites in each region, based on the strategy of "small, dispersed and dominant" used in the Parking Business

Japan. Through this, it has optimized the business portfolio which concentrated heavily on large and long-term contract parking facilities, aiming to reduce business risk and make it profitable as quickly as possible. Also, the Group worked to improve customer convenience and satisfaction by facilitating cashless payments, the ubiquity of which has rapidly increased during the pandemic.

As a result, in the consolidated fiscal year under review, the numbers of overseas parking sites and parking spaces managed were 2,586 (+9.4% of the end of the previous fiscal year), and 538,161 (-3.9% of the end of the previous fiscal year). The total numbers of parking sites and parking spaces managed worldwide were 27,965 (+1.3% of the end of the previous fiscal year), and 1,299,815 (+0.5% of the end of the previous fiscal year). Net sales in this segment (including intersegment sales) were 69,478 million yen (+19.8% year on year). Operating loss was 1,609 million yen (operating loss of 5,049 million yen in the previous year).

* For overseas group companies, the applicable consolidated accounting period in the fiscal year under review was a period from October 1, 2022 to September 30, 2023.

Mobility Business

In the Times CAR, the number of members and the use of cars grew steadily, and usage fees per vehicle were strong. This was attributable to measures to increase the number of cars in consideration of demand, the active opening of new rental sites to appropriately deploy vehicles, and efforts to capitalize on surging consumer demand for leisure travel, corporate demand for business travel and other trends, as well as the implementation of campaigns and other promotions to facilitate the use of services by both consumers and companies. In addition, the Group started to undertake large-scale promotions in May 2023 chiefly via the media to increase the number of corporate members and use of services by corporations. During the consolidated fiscal year under review, the Group increased 6,985 vehicles and 1,885 Times CAR rental sites, thereby making steady progress of the expansion of the network.

As a result, in the consolidated fiscal year under review, the total number of vehicles in Mobility Business as a whole was 60,047 units (+13.2% of the end of the previous fiscal year), the number of Times CAR rental sites was 16,017 (+13.3% of the previous fiscal year), and the number of Times CAR members was 2,423,817 (+18.8% of the end of the previous fiscal year). Net sales in this segment (including intersegment sales) were 98,287 million yen (+25.5% year on year), and operating profit was 12,655 million (+165.2% year on year).

(2) Overview of financial position during the fiscal year under review

Total assets at the end of the consolidated fiscal year under review increased 530 million yen from the end of the previous fiscal year, to 308,157 million yen. This is primarily a result of increases of 3,628 million yen in investments and other assets, including deferred tax assets, and 3,509 million yen in property, plant and equipment, including machinery, equipment and vehicles, offsetting decreases of 4,479 million yen in current assets, including cash and deposits, and 2,003 million yen in intangible assets, including contract-based intangible assets.

Total liabilities decreased 17,843 million yen from the end of the previous fiscal year to 249,741 million yen. This mainly reflected an increase of 3,235 million yen in current liabilities, including the current portion of long-term borrowings, and a decline of 21,078 million yen in non-current liabilities including long-term borrowings.

Net assets increased 18,373 million yen from the end of the previous fiscal year to 58,416 million yen. This is primarily a result of 17,542 million yen posted as profit attributable to owners of parent and 1,018 million yen as foreign currency translation adjustment.

(3) Overview of cash flow during the fiscal year under review

The balance of cash and cash equivalents at the end of the consolidated fiscal year under review decreased 11,765 million yen from the end of the previous consolidated fiscal year, to 73,299 million yen. The cash flow situation by category for the fiscal year under review was as follows:

(Cash flow from operating activities)

Net cash provided by operating activities was 48,188 million yen (increased 18,819 million yen year on year). This

primarily reflected the total of profit before income taxes and depreciation of 55,991 million yen, which was partly offset by income taxes paid of 12,374 million yen.

(Cash flow from investing activities)

Net cash used in investing activities was 25,661 million yen (increased 8,304 million yen year on year). This was mainly attributable to capital expenditures for Times PARKING and purchase of Mobility vehicles.

(Cash flow from financing activities)

Net cash used in financing activities was 35,633 million yen (increased 15,517 million yen year on year). This was attributable primarily to proceeds from the issuance of bonds with share acquisition rights, which were more than offset by payment for the redemption of bonds with share acquisition rights, repayments of long-term borrowings and lease liabilities, and a net decrease in short-term borrowings.

(Changes in cash flow-related indicators)

	FY Ended Oct. 2021	FY Ended Oct. 2022	FY Ended Oct. 2023
Shareholders' equity ratio (%)	7.9	17.2	22.8
Market value equity ratio (%)	84.2	110.0	93.6
Number of years for debt redemption (years)	6.6	6.6	3.5
Interest coverage ratio (times)	13.2	8.8	12.8

(Note) Shareholders' equity ratio: shareholders' equity divided by total assets

Market value equity ratio: market capitalization divided by total assets

Number of years for debt redemption: interest-bearing debts divided by cash flow from operating activities

Interest coverage ratio: cash flow from operating activities divided by interest payment

*All of the indicators are calculated based on consolidated financial data.

*Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the number of shares outstanding (after subtracting treasury shares).

*The cash flow from operating activities used in the calculation is the cash flow from operating activities in the consolidated statement of cash flow.

*Interest-bearing debts include all interest-bearing liabilities that are posted on the consolidated balance sheet.

*The interest payment represents the amount of interest expenses paid presented in the consolidated statement of cash flow.

(4) Outlook for the future

Based on its medium-term business growth strategy "the expansion and seamless connection of our four networks of (people, cars, communities and parking facilities)", the Group will focus its efforts on "accelerating network expansion" and "facilitating the evolution of services."

In the Parking Business Japan, the Group will increase the number of developments while simultaneously adhering to carefully selected developments. In addition, as part of its efforts to facilitate the evolution of services, it will work to expand camera-assisted parking sites, thereby building next-generation parking services that enable easier entry, exit and settlement.

In Parking Business International, the Group will develop short-term contract parking sites optimally suited for demand for parking sites in each region based on the strategy of "small, dispersed, and dominant" used in the Parking Business Japan. By doing so, it will review the current business portfolio, which concentrates heavily on large and long-term contract parking sites, to reduce business risk while also striving to improve the profitability of existing parking sites by implementing measures according to regional characteristics and utilizing the parking site operation management

system. Also, the Group will work to improve customer convenience and satisfaction by enhancing the content of services including measures to facilitate cashless payments.

In the Mobility Business, it will seek to raise the recognition of Times CAR through the continuous implementation of promotions, among other measures, and will improve convenience by improving the membership programs and organizing the user interface of applications. Through these measures as well as the implementation of campaigns and other programs aimed at facilitating use, it will step up its efforts for acquiring Times CAR members and expanding the scope of use. Moreover, it will increase the number of cars in sync with created demand and regional characteristics and actively open new Times CAR rental sites. By doing so it will seek expand the scale of services while also facilitating the growth of operation per vehicle. Meanwhile, given a rise in operation cost due to sharp rises in a variety of expenses as in the previous year, the Group plans to revise traveling distance-based charges and subscription fee for “Safe Compensation Service Subscription” in February 2024.

Through these efforts, the Group expects that, at the end of October 2024, the total number of domestic and overseas parking sites will be 29,400, and the total number of parking spaces will be 1,382,500. There will be 67,800 Times CAR vehicles. For the fiscal year ending October 31, 2024, the Group forecasts net sales of 357,000 million yen, operating profit of 35,000 million yen, recurring profit of 31,000 million yen, and profit attributable to owners of parent of 20,000 million yen.

2. Basic concept of the selection of accounting standards

The Group intends to prepare consolidated financial statements under the Japanese standards in the immediate future, taking into consideration the period comparability of consolidated financial statements and comparability with other companies.

The Group plans to respond appropriately to the application of the international accounting standards, taking into account the situation in Japan and overseas, among other factors.

3. Consolidated Financial Statements and Notes

(1) Consolidated balance sheet

(Unit: million yen)

	As of October 31, 2022	As of October 31, 2023
Assets		
Current assets		
Cash and deposits	85,781	73,957
Notes receivable - trade	-	100
Accounts receivable – trade	20,783	23,524
Investments in leases	4,406	5,889
Inventories	2,497	2,044
Prepaid expenses	16,137	16,834
Other	9,346	11,731
Allowance for doubtful accounts	-1,138	-745
Total current assets	137,814	133,335
Non-current assets		
Property, plant and equipment		
Buildings and structures	52,585	54,991
Accumulated depreciation	-23,598	-26,383
Buildings and structures, net	28,986	28,608
Machinery, equipment and vehicles	56,593	54,434
Accumulated depreciation	-27,832	-21,885
Machinery, equipment and vehicles, net	28,761	32,548
Tools, furniture and fixtures	36,311	40,375
Accumulated depreciation	-32,513	-35,262
Tools, furniture and fixtures, net	3,798	5,113
Land	25,747	24,899
Leased assets	55,254	58,454
Accumulated depreciation	-47,843	-50,861
Leased assets, net	7,410	7,592
Right of use assets	76,835	73,702
Accumulated depreciation	-55,547	-53,653
Right of use assets, net	21,288	20,049
Construction in progress	1,665	2,354
Total property, plant and equipment	117,658	121,167
Intangible assets		
Goodwill	18,147	18,117
Contract-based intangible assets	9,453	6,545
Other	6,457	7,392
Total intangible assets	34,058	32,055
Investments and other assets		
Long-term prepaid expenses	4,067	4,878
Leasehold and guarantee deposits	4,591	5,037
Retirement benefit asset	211	642
Deferred tax assets	7,063	9,205
Other	1,887	1,664
Allowance for doubtful accounts	-25	-3
Total investments and other assets	17,796	21,425
Total non-current assets	169,513	174,647
Deferred assets		
Share issuance costs	297	174

(Unit: million yen)

	As of October 31, 2022	As of October 31, 2023
Total deferred assets	297	174
Total assets	307,626	308,157

(Unit: million yen)

	As of October 31, 2022	As of October 31, 2023
Liabilities		
Current liabilities		
Short-term borrowings	17,309	3,154
Current portion of long-term borrowings	16,001	28,257
Lease liabilities	11,047	10,742
Accounts payable - other	13,804	15,931
Accrued expenses	19,487	22,238
Income taxes payable	7,302	6,119
Provision for bonuses	2,446	3,390
Other	13,287	14,087
Total current liabilities	100,687	103,922
Non-current liabilities		
Bonds with share acquisition rights	35,000	42,310
Long-term borrowings	96,398	68,204
Lease liabilities	19,158	18,055
Deferred tax liabilities	1,658	1,709
Asset retirement obligations	9,474	9,722
Other	5,207	5,817
Total non-current liabilities	166,897	145,818
Total liabilities	267,584	249,741
Net assets		
Shareholders' equity		
Share capital	32,739	32,739
Capital surplus	28,326	28,326
Retained earnings	-7,050	10,491
Treasury shares	-1,255	-1,255
Total shareholders' equity	52,758	70,301
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	120	118
Deferred gains or losses on hedges	-27	23
Revaluation reserve for land	-1,035	-1,035
Foreign currency translation adjustment	-9,117	-8,099
Remeasurements of defined benefit plans	-2,719	-2,943
Total valuation and translation adjustments	-12,778	-11,936
Share acquisition rights	62	51
Total net assets	40,042	58,416
Total liabilities and net assets	307,626	308,157

(2) Consolidated statements of profit and loss, and comprehensive income

Consolidated statements of profit and loss

(Unit: million yen)

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Net sales	290,253	330,123
Cost of sales	219,659	240,496
Gross profit	70,593	89,626
Selling, general and administrative expenses	49,921	57,639
Operating profit	20,672	31,986
Non-operating income		
Void ticket	203	185
Profit from redemption	-	276
Subsidy income	133	31
Other	547	333
Total non-operating income	884	827
Non-operating expenses		
Interest expenses	3,321	3,766
Foreign exchange losses	488	244
Expense incurred for evacuation of parking facilities	411	277
Other	364	852
Total non-operating expenses	4,585	5,141
Recurring profit	16,970	27,673
Extraordinary income		
Gain on sales of non-current assets	0	2,267
Gain on sale of investment securities	20	979
Total extraordinary income	20	3,247
Extraordinary losses		
Loss on retirement of non-current assets	408	376
Impairment losses	389	3,671
Provision for loss on litigation	-	1,090
Loss on lease contracts	1,571	-
Other	-	1
Total extraordinary losses	2,368	5,141
Profit before income taxes	14,623	25,779
Income taxes - current	9,276	10,590
Income taxes - deferred	2,869	-2,353
Total income taxes	12,146	8,237
Profit	2,476	17,542
Profit attributable to owners of parent	2,476	17,542

Consolidated statement of comprehensive income

(Unit: million yen)

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Profit	2,476	17,542
Other comprehensive income		
Valuation difference on available-for-sale securities	-10	-2
Deferred gains or losses on hedges	55	50
Foreign currency translation adjustment	-3,162	1,018
Remeasurements of defined benefit plans, net of tax	-854	-223
Total other comprehensive income	-3,972	842
Comprehensive income	-1,495	18,384
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	-1,495	18,384

(3) Consolidated Statements of Shareholders' Equity

Fiscal year ended October 31, 2022

(Unit: million yen)

	Shareholders' Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Shareholders' Equity
Balance at beginning of period	20,171	15,758	-9,498	-1,255	25,175
Cumulative effects of changes in accounting policies			-29		-29
Restated balance	20,171	15,758	-9,527	-1,255	25,146
Changes during period					
Issuance of new shares	12,568	12,568			25,136
Profit attributable to owners of parent			2,476		2,476
Purchase of treasury shares				-0	-0
Net changes in items other than shareholders' equity					
Total changes during period	12,568	12,568	2,476	-0	27,612
Balance at end of period	32,739	28,326	-7,050	-1,255	52,758

	Other Accumulated Comprehensive Income						Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other Accumulated Comprehensive Income (Total)		
Balance at beginning of period	130	-82	-1,035	-5,954	-1,864	-8,806	63	16,432
Cumulative effects of changes in accounting policies								-29
Restated balance	130	-82	-1,035	-5,954	-1,864	-8,806	63	16,403
Changes during period								
Issuance of new shares								25,136
Profit attributable to owners of parent								2,476
Purchase of treasury shares								-0
Net changes in items other than shareholders' equity	-10	55	-	-3,162	-854	-3,972	-1	-3,973
Total changes during period	-10	55	-	-3,162	-854	-3,972	-1	23,638
Balance at end of period	120	-27	-1,035	-9,117	-2,719	-12,778	62	40,042

Fiscal year ended October 31, 2023

(Unit: million yen)

	Shareholders' Equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	32,739	28,326	-7,050	-1,255	52,758
Changes during period					
Profit attributable to owners of parent			17,542		17,542
Purchase of treasury shares				-0	-0
Net changes in items other than shareholders' equity					
Total changes during period	-	-	17,542	-0	17,542
Balance at end of period	32,739	28,326	10,491	-1,255	70,301

	Other Accumulated Comprehensive Income						Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Other Accumulated Comprehensive Income (Total)		
Balance at beginning of period	120	-27	-1,035	-9,117	-2,719	-12,778	62	40,042
Changes during period								
Profit attributable to owners of parent								17,542
Purchase of treasury shares								-0
Net changes in items other than shareholders' equity	-2	50	-	1,018	-223	842	-10	831
Total changes during period	-2	50	-	1,018	-223	842	-10	18,373
Balance at end of period	118	23	-1,035	-8,099	-2,943	-11,936	51	58,416

(4) Consolidated statement of cash flows

(Unit: million yen)

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Cash flows from operating activities		
Profit before income taxes	14,623	25,779
Depreciation	30,273	30,211
Impairment losses	389	3,671
Amortization of goodwill	1,214	1,304
Increase (decrease) in retirement benefit liability	-883	-125
Interest expenses	3,321	3,766
Loss (gain) on sales of non-current assets	-0	-2,266
Loss on retirement of non-current assets	408	376
Loss (gain) on sale of investment securities	-20	-979
Provision for loss on litigation	-	1,090
Loss on lease contracts	1,571	-
Decrease (increase) in trade receivables	-1,780	-2,466
Decrease (increase) in investments in leases	-637	-1,482
Decrease (increase) in inventories	3,980	5,744
Increase (decrease) in trade payables	58	-214
Decrease (increase) in prepaid expenses	-2,908	192
Increase (decrease) in accounts payable - other	-5,264	1,978
Increase (decrease) in accrued expenses	-5,736	1,341
Increase (decrease) in provision for bonuses	237	938
Other, net	-4,270	-4,549
Subtotal	34,575	64,313
Interest and dividends received	18	16
Interest paid	-3,323	-3,767
Income taxes paid	-1,901	-12,374
Net cash provided by (used in) operating activities	29,369	48,188
Cash flows from investing activities		
Payments into time deposits	-6	-6
Proceeds from withdrawal of time deposits	6	6
Purchase of property, plant and equipment	-13,130	-23,099
Proceeds from sales of property, plant and equipment	12	3,091
Purchase of intangible assets	-2,905	-3,328
Payments for asset retirement obligations	-303	-258
Proceeds from sales of investment securities	79	1,063
Purchase of long-term prepaid expenses	-1,048	-2,713
Payments for lease hold and guaranteed deposit	-282	-607
Proceeds from refund of lease hold and guaranteed deposits	223	177
Other, net	-2	12
Net cash provided by (used in) investing activities	-17,357	-25,661

(Unit: million yen)

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-274	-14,666
Proceeds from long-term borrowings	188	-
Repayments of long-term borrowings	-31,116	-16,010
Proceeds from issuance of bonds with share acquisition rights	-	34,911
Payments for redemption of bonds with share acquisition rights	-	-27,413
Repayments of lease liabilities	-13,672	-12,451
Proceeds from issuance of shares	24,766	-
Purchase of treasury shares	-0	-0
Dividends paid	-7	-1
Net cash provided by (used in) financing activities	-20,116	-35,633
Effect of exchange rate change on cash and cash equivalents	1,374	1,340
Net increase (decrease) in cash and cash equivalents	-6,730	-11,765
Cash and cash equivalents at beginning of period	91,795	85,065
Cash and cash equivalents at end of period	85,065	73,299

(5) Notes to Consolidated Financial Statements

(Note on going concern assumptions)

Not applicable

(Segment information)

1. Overview of reported segments

The business of the Company is categorized into three reported segments by service: Parking Business Japan, Parking Business International and Mobility Business. Separate financial information is available for each of the reported segments in accordance with the constituent units of the Company and the Group, and the Board of Directors reviews each reported segment regularly to determine the distribution of management resources and to evaluate financial results.

The following is a description of each reported segment:

- (1) Parking Business Japan: Operations relating to management and operation of parking sites in Japan
- (2) Parking Business International: Operations relating to management and operation of parking sites overseas
- (3) Mobility Business: Automobile-related operations relating to Rental, Car Sharing and road assistance service

2. Method of calculating net sales, profits or losses, assets, obligations and other flows by segment

The accounting treatment for reported segments is generally similar to the descriptions under "Material matters as base in preparation of consolidated financial statements." Profits of reported segments are figures based on operating profit. The Company does not allocate assets and liabilities to reported segments. However, depreciation related to unallocated assets is allocated to each reportable segment based on a reasonable allocation standard.

3. Information on sales, profits or losses and other flows by reported segment

For the fiscal year ended October 31, 2022

	Reported segments				Adjustment (Note) 1	(million yen) Amount on consolidated profit and loss statement (Note) 2
	Parking Business Japan	Parking Business International	Mobility Business	Total		
Sales						
Income from contracts with customers	142,031	55,827	76,086	273,946	—	273,946
Other income (Note)3	12,082	2,155	2,068	16,307	—	16,307
Sales to external customers	154,114	57,983	78,155	290,253	—	290,253
Intersegment sales and transfers	4,743	—	133	4,877	-4,877	—
Total	158,857	57,983	78,288	295,130	-4,877	290,253
Segment profit (loss)	34,222	-5,049	4,772	33,945	-13,272	20,672
Others						
Depreciation (Note)4	7,212	11,326	9,779	28,318	1,954	30,273
Amortization of long-term prepaid expenses	—	1,214	—	1,214	—	1,214

(Notes)

1. Adjustments to segment profit (loss) are corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of expenses related to administrative divisions such as general affairs that do not belong to any reportable segment.
2. Segment income (loss) is adjusted with operating income in the consolidated statements of income.
3. Other income includes rental income based on the "Accounting Standard for Lease Transactions".
4. Depreciation includes amortization of long-term prepaid expenses.

For the fiscal year ended October 31, 2023

(million yen)

	Reported segments				Adjustment (Note) 1	Amount on consolidated profit and loss statement (Note) 2
	Parking Business Japan	Parking Business International	Mobility Business	Total		
Sales						
Income from contracts with customers	150,081	67,029	95,718	312,829	—	312,829
Other income (Note)3	12,475	2,448	2,369	17,293	—	17,293
Sales to external customers	162,557	69,478	98,087	330,123	—	330,123
Intersegment sales and transfers	5,357	—	200	5,558	-5,558	—
Total	167,915	69,478	98,287	335,681	-5,558	330,123
Segment profit (loss)	36,909	-1,609	12,655	47,955	-15,968	31,986
Others						
Depreciation (Note)4	6,623	12,743	8,846	28,213	1,997	30,211
Amortization of long-term prepaid expenses	—	1,304	—	1,304	—	1,304

(Notes)

1. Adjustments to segment profit (loss) are corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of expenses related to administrative divisions such as general affairs that do not belong to any reportable segment.
2. Segment income (loss) is adjusted with operating income in the consolidated statements of income.
3. Other income includes rental income based on the "Accounting Standard for Lease Transactions".
4. Depreciation includes amortization of long-term prepaid expenses.

(Per share information)

	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Net assets per share	234.46yen	342.28yen
Net income per share	15.22yen	102.87yen
Net income per share (diluted)	14.41yen	93.89yen

(Note)

The basis for calculation of net income per share and diluted net income per share is as follows.

Item	Fiscal year ended October 31, 2022	Fiscal year ended October 31, 2023
Net income per share		
Income attributable to owners of parent (million yen)	2,476	17,542
Income attributable to owners of parent associated with common shares (million yen)	2,476	17,542
Average number of shares issued during the term (thousand shares)	162,717	170,519
Net income per share (diluted)		
Adjustment of net income attributable to owners of the parent (million yen)	—	-192
(Of which gain on bond redemption (net of tax) (million yen))	(—)	(-192)
Increase in common stock (thousand shares)	9,126	14,264
(Of which bonds with stock acquisition rights (thousand shares))	(9,126)	(14,264)
Summary of potentially dilutive shares not included in the calculation of net income per share after dilution as they do not have a dilution effect	—	—

(Significant subsequent events)

Not applicable