

Consolidated Financial Statements

[Consolidated Statements of Cash Flows]

	(Thousands of yen)		(Thousands of yen)	
	Fiscal 2017 (From December 1, 2016 to November 30, 2017)	Fiscal 2018 (From December 1, 2017 to November 30, 2018)	Fiscal 2017 (From December 1, 2016 to November 30, 2017)	Fiscal 2018 (From December 1, 2017 to November 30, 2018)
Cash flows from operating activities				
Profit (loss) profit before income taxes	¥ 1,024,792	¥ (265,125)		
Depreciation and amortization	212,551	206,046		
Impairment loss	1,830,642	1,110,179		
Amortization of goodwill	254,073	53,388		
Increase (decrease) in allowance for doubtful accounts	134,212	(103,385)		
(Decrease) increase in provision for bonuses	(56,052)	6,369		
Increase (decrease) in provision for product warranties	14,000	(40,000)		
(Decrease) increase in net defined benefit liability	(276)	1,624		
Share-based compensation expenses	2,088	5,290		
Interest and dividend income	(12,883)	(28,409)		
Interest expenses	71,540	40,350		
Foreign exchange (gains) losses	(2,970)	576		
Share of (profit) loss of entities accounted for using equity method	(43,691)	38,696		
Loss on valuation of investment securities	-	10,366		
Gain on sales of investment securities	(2,973,909)	(705,622)		
Loss on valuation of cryptocurrencies	-	192,004		
Loss on sale of cryptocurrencies	-	201,021		
Gain on sales of shares of subsidiaries	(887,702)	-		
Loss on retirement of property, plant and equipment	6,912	10,457		
Loss (gain) on sales of property, plant and equipment	81,236	(31)		
Gain on change in equity	(25,605)	(207,547)		
Decrease (increase) in notes and accounts receivable—trade	86,678	*2 (926,553)		
Decrease in cryptocurrencies	-	751,992		
Increase in inventories	(214,177)	(104,188)		
(Increase) decrease in advance payments	(470,126)	667,465		
(Increase) decrease in accounts receivable—other	(209,323)	118,615		
Decrease in deposits paid	-	146,268		
Increase (decrease) in notes and accounts payable—trade	149,635	(24,411)		
Decrease in accounts payable—other	(155,899)	(67,749)		
Increase (decrease) in accrued expenses	142,874	(204,629)		
Increase in advances received	11,658	92,603		
Increase in deposits received	-	2,768		
Other, net	(226,413)	39,276		
Subtotal	(1,256,135)	1,017,708		
Interest and dividends income received	6,496	28,157		
Interest paid	(80,004)	(54,670)		
Income taxes paid	(58,396)	(10,179)		
Net cash (used in) provided by operating activities	(1,388,039)	981,015		
Cash flows from investing activities				
Purchase of cryptocurrencies	-	(3,112,542)		
Proceeds from sales of cryptocurrencies	-	1,961,815		
Purchase of property, plant and equipment	(133,698)	(278,180)		
Proceeds from sales of property, plant and equipment	9,456	55		
Purchase of intangible assets	(97,002)	(960,887)		
Payments for asset retirement obligations	(27,228)	(33,677)		
Purchase of investment securities	(2,797,907)	(320,864)		
Proceeds from sales of investment securities	6,491,645	1,998,795		
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(490,371)	-		
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	281,601	-		
Proceeds from sales of investments in subsidiaries resulting in change in scope of consolidation	577,075	-		
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(60,964)	-		
Increase in short-term loans receivable	(20,000)	-		
Collection of short-term loans receivable	330,000	-		
Increase in long-term loans receivable	(344,918)	*2 (760,000)		
Collection of long-term loans receivable	611,709	442,000		
Payments for guarantee deposits	(136,080)	(64,927)		
Proceeds from collection of guarantee deposits	260,893	32,977		
Payments for distribution of dividends	(524,300)	-		
Other, net	(856)	(3,695)		
Net cash provided by (used in) investing activities	3,929,054	(1,099,133)		
Cash flows from financing activities				
Net (decrease) increase in short-term loans payable	(295,340)	*2 241,540		
Proceeds from long-term loans payable	342,804	392,800		
Repayment of long-term loans payable	(2,059,670)	(1,055,493)		
Redemption of bonds	(300,000)	(1,165,000)		
Proceeds from issuance of bonds with subscription rights to shares	-	200,000		
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	244,999	-		
Purchase of treasury stock	(12,982)	-		
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	-	(4,011)		
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	229,320	2,460		
Other	(1,104)	(1,688)		
Net cash used in financing activities	(1,851,972)	(1,389,394)		
Effect of exchange rate change on cash and cash equivalents	(41,113)	690		
Net increase (decrease) in cash and cash equivalents	647,928	(1,506,821)		
Cash and cash equivalents at beginning of the fiscal year	1,881,667	2,529,595		
Cash and cash equivalents at end of the fiscal year	*1 ¥ 2,529,595	*1 ¥ 1,022,774		

Please refer to page 51 for *1 and 2