

**Consolidated Financial Results for the First Six Months
of the Fiscal Year Ending October 31, 2021 (Under Japanese GAAP)**

* Please note this document is a translation of the original Japanese document “Financial Results for the First Six Months ended April 30, 2021 (Kessan Tanshin)” 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.

Jun 11, 2021

Company Name: H.I.S. Co., Ltd.

Stock Code: 9603, URL: <https://www.his.co.jp/en/>

Representative Director: Hideo Sawada, Representative Director, Chairman and President

Contact: Motoshi Yada, Director and CFO

Scheduled date to file Quarterly Securities Report: Jun 14, 2021

Scheduled date to commence dividend payments: —

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes

**1. Consolidated Financial Results for the First Six Months of the Fiscal Year Ending October 31, 2021
(November 1, 2020 –April 30, 2021)**

(1) Consolidated Operating Results (Cumulative)

(% shows year-on-year changes)

	Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent	
	JPY million	%	JPY million	%	JPY million	%	JPY million	%
6 months ended								
Apr 30, 2021	67,651	(80.4)	(31,083)	—	(30,713)	—	(23,206)	—
Apr 30, 2020	344,353	(8.9)	(1,469)	—	(760)	—	(3,459)	—

(*Note) Comprehensive Income: JPY(22,392) million [—%] for the 6 months ended April 30, 2021
JPY(5,410) million [—%] for the 6 months ended April 30, 2020

	EPS	Diluted EPS
6 months ended	JPY	JPY
Apr 30, 2021	(361.86)	—
Apr 30, 2020	(60.24)	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	BPS
As of	JPY million	JPY million	%	JPY
Apr 30, 2021	403,403	86,974	15.1	896.73
Oct 31, 2020	414,604	98,421	17.8	1,177.91

(*Reference) Shareholders' Equity : JPY61,039 million as of April 30, 2021

JPY73,948 million as of October 31, 2020

2. Dividends

	Annual Dividends Per Share				
	1 st Quarter-end	2 nd Quarter-end	3 rd Quarter-end	Fiscal year-end	Total
Fiscal Year ended October 31, 2020	JPY —	JPY 0.00	JPY —	JPY 0.00	JPY 0.00
Fiscal Year ending October 31, 2021	—	0.00			
Fiscal Year ending October 31, 2021(Forecast)		—	—	—	—

(*Note) Changes from the most recently announced dividend forecasts: None

Dividend forecast for fiscal year ending October 31, 2021 is undetermined.

3. Financial Forecasts for Fiscal Year ending October 31, 2021 (November 1, 2020 – October 31, 2021)

Consolidated financial forecasts for fiscal year ending October 31, 2021 are undetermined as it is difficult to reasonably estimate the impact of the new coronavirus infection at this time. Consolidated financial forecasts will be announced as soon as they become available.

(*Note) Changes from the most recently announced financial forecasts: None

(*Notes)

(1) Changes in significant subsidiaries during the 6 months ended April 30, 2021 (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

1) Changes in accounting policies due to amendments to accounting standards and other regulations:

None

2) Changes in accounting policies due to reasons other than 1) above: None

3) Changes in accounting estimates: None

4) Restatement of prior period financial statements: None

(4) The Number of Issued and Outstanding Shares (Common Shares)

1) Number of Issued and Outstanding Shares (Including Treasury Stocks) at the end of the period

As of Apr 30, 2021	73,994,236 shares
As of Oct 31, 2020	68,768,936 shares

2) Number of Treasury Stocks at the end of the period

As of Apr 30, 2021	5,925,347 shares
As of Oct 31, 2020	5,989,248 shares

3) Average Number of Shares during the period

6 months ended Apr 30, 2021	64,129,858 shares
6 months ended Apr 30, 2020	57,429,917 shares

(*Note) The stocks of the company held by H.I.S. Employee Stock Ownership Trust are included in the number of treasury stock at the end of period (3,200 shares as of April 30, 2021 and 55,100 shares as of October 31, 2020) and the number of treasury stock deducted in calculating the average number of shares during the period (27,986 shares during 6 months ended April 30, 2021 and 153,528 shares as of April 30, 2020).

(*Note) Explanations regarding the Quarterly Review Procedures.

This document is not subject to the quarterly review procedures as promulgated by the Financial Instruments and Exchange Act.

(*Note) Explanations regarding the Appropriate Use of Financial Forecasts and Other Special Instructions

The financial forecasts above are based on information that is available to management as of the date of announcement of this document and certain assumptions as of the date of announcement of this document that are related to uncertain factors that could influence financial forecasts. Actual results may be significantly different from these financial forecasts due to various factors. For more information, please see “(3) Overview of Forward-Looking Statements including Financial Forecasts” on Page 6.

1. Qualitative Information regarding the Financial Results for the Six Months Ended April 30, 2021

(1) Overview of Operating Results

During the six months ended April 30, 2021 (first half of the current fiscal year), the business environment was expected to pick up as the level of socioeconomic activities was raised while taking measures to prevent the spread of the novel coronavirus infection, but economic activities remained stagnant due to a significant decrease in corporate earnings and worsening employment conditions caused by the spread of the novel coronavirus infection, resulting in a difficult business environment.

Under such circumstances, H.I.S. Group pushed forward with the secondment of approximately 1,000 employees to outside H.I.S. Group, and also continued to cut costs in each country, and maximized the use of government subsidies, etc., to restructure the management system and to reform work styles in response to the coronavirus crisis. H.I.S. Group also continued its efforts to build a new business model that can contribute to world peace as a company constantly changing and developing not only through travel business but also through various businesses with its corporate philosophy "Contributing to the creative development of humanity and world peace by complying with the law of nature".

Operating results by business segment are as follows. The amount of each business segment is the amount before eliminating intersegment transactions.

(Travel Business)

During the six months ended April 30, 2021 (first half of the current fiscal year), the travel market was extremely difficult as measures such as entry restrictions and travel restrictions continued to be imposed in various countries due to the spread of new variant viruses, although there were signs of vaccination against the new coronavirus infection in some countries and regions. The number of Japanese travelers departing from Japan decreased by 96.8% year-over-year to 200,000, and the number of foreign visitors to Japan decreased by 97.9% year-over-year to 190,000. (Source: Japan Tourism Board (JNTO))

H.I.S. Group's overseas travel business also experienced a significant drop in transaction amount due to a series of flight cancellations, continued travel restrictions, and the cancellation of planned tours in all areas.

In the domestic travel business, which had been strengthened by investing resources such as personnel, the number of bookings temporarily increased mainly for spring vacation and Golden Week vacation

due to the implementation of the "Spring Travel and Early Summer Travel Campaign" and the lifting of the declaration of a state of emergency in each region. However, the transaction amount decreased due to the third declaration of a state of emergency in major cities, as well as a series of requests in some regions to raise their own alert levels and to take priority measures to prevent the spread of the disease. In the corporate business, H.I.S. Group worked to strengthen sales of non-travel products as part of its platform strategy to provide a full range of products to its customer base.

In the travel business overseas, H.I.S. Group continued to implement through cost-cutting measures, such as reducing the number of personnel and integrating bases with Miki Group. In addition, H.I.S. Group focused on building a business model that responds to the Coronavirus crisis by strengthening efforts to capture local markets through overseas Group companies. In addition, the "Online Experience Tour," which has been highly evaluated by customers, was used by more than 80,000 customers in total.

The number of H.I.S. Group's sales branches was 162 in Japan and 181 in 123 cities in 63 countries outside of Japan as of the end of April 2021 as a result of consolidations and closures in and out of Japan.

As a result of the above, the Travel Business recorded net sales of 29,018 million yen (9.7% of the same period last year), and operating loss of 18,000 million yen (operating loss of 1,676 million yen in the same period last year) during the six months ended April 30, 2021.

(Theme Park Business)

At Huis Ten Bosch, although it strengthened its efforts to capture demand mainly during the spring vacation by opening new area "Fantasia City of Lights", for the first time in 11 years, and by implementing renewal opening of "VR World", it had to shorten the opening hours and to close some of the park's directly managed stores due to the issuance of a special alert throughout Nagasaki Prefecture. Due to the impact of the spread of the novel coronavirus infection again like these, the number of visitors was 799,000 (76.8% of the same period last year)

At Laguna Ten Bosch, the number of visitors began to recover due to gain the popularity of the "Demon Slayer : The Trial of Remembrance : Tanjiro's Journey" event was held from March, despite the refraining from going out and the severe business environment again due to the declaration of a state of emergency in Aichi Prefecture.

As a result of the above, the Theme Park Business recorded net sales of 8,522 million yen (86.8% of the same period last year) and operating loss of 603 million yen (operating loss of 459 million yen in the

same period last year) during the six months ended April 30, 2021.

(Hotel Business)

In the Hotel Business, H.I.S. Hotel Holdings proceeded with new development projects such as "Resort Hotel Kume Island", which became the first hotel in Japan to acquire the real estate of an existing hotel and to take over the business, and the start of "Support for Hotel and Japanese-Inn Revitalization". However, the number of guests decreased due to the impact of the re-emergence of the novel coronavirus infection at hotels in Japan and the continued difficulty of overseas travel at overseas hotels.

As a result of the above, the Hotel Business recorded net sales of 3,138 million yen (48.5% of the same period last year), operating loss of 2,612 million yen (operating loss of 494 million yen in the same period last year) and EBITDA of negative 1,036 million yen (positive 1,244 million yen in the same period last year) during the six months ended April 30, 2021.

(Kyushu Sanko Group)

In the Kyushu Sanko Group, the number of visitors to the large-scale commercial facility "Sakura Machi Kumamoto" declined again due to the declaration of own state of emergency in Kumamoto Prefecture. In addition, the bus business was affected as routes were cancelled or the number of operations was reduced, and the food and beverage sales business had to shorten operation hours or to suspend operations, due to the spread of the novel coronavirus infection again.

As a result of the above, the Kyushu Sanko Group recorded net sales of 8,690 million yen (70.1% of the same period last year) and operating loss was 931 million yen (operating profit of 198 million yen in the same period last year) during the six months ended April 30, 2021.

(Energy Business)

In the Energy Business, the power supply volume in the electric power retail business expanded steadily, but the procurement price of power was significantly affected by the significant rise in the price of power on the Japan Electric Power Exchange (JEPX). In the power generation business, the delivery of a biomass power plant was completed, but the plant was operated at a minimum level to avoid the impact of soaring prices of RSPO-certified palm oil, which is used as fuel.

As a result of the above, the Energy Business recorded net sales of 17,606 million yen (125.7% of the same period last year) and operating loss was 7,754 million yen (operating profit of 933 million yen in the same period last year) during the six months ended April 30, 2021.

As a result of the above, H.I.S. Group recorded net sales of 67,651 million yen (19.6% of the same period last year), operating loss of 31,083 million yen (operating loss of 1,469 million yen in the same period last year), ordinary loss of 30,713 million yen (ordinary loss of 760 million yen in the same period last year), and net loss attributable to owners of parent of 23,206 million yen (net loss attributable to owners of parent of 3,459 million yen in the same period last year) during the six months ended April 30, 2021.

(2) Overview of Financial Position

Total assets as of the end of April 2021 decreased by 11,200 million yen as compared to the end of October 2020 to 403,403 million yen. This was mainly due to a decrease in accounts receivable-other (down 5,439 million yen), a decrease in investment securities (down 2,822 million yen), a decrease in travel advance payments (down 2,817 million yen), a decrease in loans receivable (down 1,608 million yen), a decrease in property, plant and equipment (down 1,392 million yen), and a decrease in notes and accounts receivable-trade (down 1,148 million yen), partially offset by an increase in cash and deposits (up 8,722 million yen).

Total liabilities as of the end of April 2021 increased by 246 million yen as compared to the end of October 2020 to 316,429 million yen. This was mainly due to an increase in trade accounts payable (up 7,974 million yen), partially offset by a decrease in travel advance received (down 7,359 million yen).

Net assets as of the end of April 2021 decreased by 11,447 million yen as compared to the end of October 2020 to 86,974 million yen. This was mainly due to a decrease in retained earnings (down 23,103 million yen) caused by the posting of net loss attributable to owners of parent and other factors, partially offset by an increase in share capital and capital surplus (up 8,608 million yen) due to the exercise of stock acquisition rights.

(Cash Flow Status)

Cash and cash equivalents (hereinafter referred to as the "Fund") as of the end of April 2021 were 88,649 million yen, an increase of 8,203 million yen as compared to the end of October 2020.

The status of each cash flow and their factors during the six months ended April 30, 2021 are as follows.

[Cash Flow from Operating Activities]

The Fund decreased by 8,833 million yen as a result of operating activities (25,045 million yen decrease in the same period last year). This was mainly due to a decrease in the Fund due to loss before income

taxes (22,890 million yen), while the Fund increased due to an increase in trade accounts payable (7,935 million yen) and non-Fund items such as depreciation and amortization (5,991 million yen).

The decrease of the Fund during the six months ended April 30, 2020 (the first half of the previous fiscal year) was mainly due to a decrease in the Fund from a decrease in travel advance received (48,676 million yen) and loss before income taxes (3,846 million yen), while the Fund increased from a decrease in trade accounts receivables (18,610 million yen) and non-Fund items such as depreciation and amortization (6,437 million yen) and impairment loss (2,865 million yen).

[Cash Flow from Investing Activities]

The Fund increased by 4,584 million yen as a result of investing activities (50,047 million yen decrease in the same period last year). This was mainly because the Fund increased due to proceeds from sales of property, plant and equipment and intangible assets (5,501 million yen), proceeds from sales and redemption of investment securities (4,071 million yen), and proceeds from collection of guarantee deposits (1,121 million yen), while the Fund decreased due to payments for acquisition of property, plant and equipment and intangible assets (7,665 million yen).

The decrease of the Fund during the six months ended April 30, 2020 (the first half of the previous fiscal year) was mainly due to a decrease in the Fund from the purchase of property, plant and equipment and intangible assets (58,056 million yen), while the Fund increased from the sale of investment securities (5,717 million yen).

[Cash Flow from Financing Activities]

The Fund increased by 11,697 million yen as a result of financing activities (17,656 million yen decrease in the same period last year). This was mainly due to an increase in the Fund from proceeds from the issuance of shares through the exercise of stock acquisition rights (8,704 million yen) and proceeds from payments from non-controlling shareholders (2,065 million yen).

The decrease of the Fund during the six months ended April 30, 2020 (the first half of the previous fiscal year) was mainly due to a decrease in the Fund from repayment of long-term and short-term loans payable (43,465 million yen) and dividend payments (1,900 million yen), while the Fund increase from proceeds from long-term and short-term loans payable (28,490 million yen).

As a result of the above, the balance of the Fund as of the end of April 2021 (the end of the first half of the current fiscal year) increased by 8,203 million yen as compared to the end of October 2020 (the end

of the previous fiscal year) to 88,649 million yen.

(3) Overview of Forward-Looking Statements including Financial Forecasts

Although there are signs of a recovery in travel demand in Europe, the U.S., and other countries where vaccinations for the novel coronavirus infection show progress, it is still difficult to predict demand in Asia due to the spread of the variant virus and other factors. In addition, although vaccination has started in Japan and the domestic business of H.I.S. Group is expected to recover, the corporate activities of H.I.S. Group are expected to continue to be affected by the novel coronavirus infection because the timing of the lifting of travel restrictions in the mainstay overseas travel business cannot be foreseen.

In light of the above, the consolidated financial forecasts for the fiscal year ending October 31, 2021 have not been determined, as it is difficult to reasonably calculate the impact of the novel coronavirus infection at this time. H.I.S. Group will promptly announce the financial forecasts when it becomes possible to calculate reasonable financial forecasts.

2. Consolidated Financial Statements

(Millions of yen)

	As of October 31, 2020	As of April 30, 2021
Assets		
Current assets		
Cash and deposits	95,234	103,957
Notes and accounts receivable-trade	15,829	14,680
Trade accounts receivable	345	399
Travel advance payments	7,253	4,436
Prepaid expenses	2,245	1,925
Short-term loans receivable	346	3,275
Short-term loans receivable from subsidiaries and associates	392	255
Accounts receivable-other	11,938	6,499
Other	7,013	6,077
Allowance for doubtful accounts	△1,376	△1,675
Total Current assets	139,223	139,832
Non-current assets		
Property, plant and equipment		
Buildings, net	66,045	76,760
Tools, furniture and fixtures, net	10,706	10,942
Land	80,282	76,853
Leased assets, net-PPE	13,204	12,946
Construction in progress	24,274	16,029
Other, net	7,698	7,285
Total Property, plant and equipment	202,211	200,818
Intangible assets		
Goodwill	5,227	4,997
Other	16,595	16,316
Total Intangible assets	21,822	21,314
Investments and other assets		
Investment securities	10,594	7,771
Shares of subsidiaries and associates	3,348	3,161
Investments in capital of subsidiaries and associates	20	52
Long-term loans receivable	3,300	47
Long-term loans receivable from subsidiaries and associates	2,205	1,057
Retirement benefit asset	602	586
Deferred tax assets	12,986	11,986
Guarantee deposits	10,516	9,763
Other	9,249	7,304
Allowance for doubtful accounts	△1,905	△697
Total Investments and other assets	50,919	41,034
Total Non-current assets	274,954	263,167
Deferred assets	426	404
Total Assets	414,604	403,403

(Millions of yen)

As of October 31, 2020

As of April 30, 2021

Liabilities		
Current liabilities		
Trade accounts payable	9,029	17,004
Short-term borrowings	26,659	26,832
Current portion of bonds payable	10,000	10,000
Current portion of long-term borrowings	1,689	4,604
Accounts payable-other	5,021	5,342
Accrued expenses	4,172	3,837
Income taxes payable	1,159	903
Accrued consumption taxes	686	532
Travel advance received	14,021	6,662
Lease obligations	2,462	2,448
Provision for bonuses	1,033	608
Provision for bonuses for directors (and other officers)	22	28
Other	14,873	14,979
Total current liabilities	90,833	93,783
Non-current liabilities		
Bonds payable	20,000	20,000
Convertible bond-type bonds with share acquisition rights	25,072	25,063
Long-term borrowings	149,605	148,632
Deferred tax liabilities	5,038	4,651
Retirement benefit liability	7,981	7,807
Provision for retirement benefits for directors (and other officers)	377	387
Lease obligations	13,070	12,644
Other	4,203	3,457
Total non-current liabilities	225,349	222,645
Total liabilities	316,182	316,429
Net assets		
Shareholders' equity		
Share capital	15,000	19,389
Capital surplus	7,450	11,669
Retained earnings	72,222	49,119
Treasury shares	△15,204	△15,014
Total shareholders' equity	79,468	65,163
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	597	656
Deferred gains or losses on hedges	7	7
Foreign currency translation adjustment	△6,157	△4,814
Remeasurements of defined benefit plans	32	26
Valuation and translation adjustments	△5,519	△4,123
Share acquisition rights	178	145
Non-controlling interests	24,294	25,789
Total net assets	98,421	86,974
Total liabilities and net assets	414,604	403,403

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

Consolidated Statements of Income (Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Net sales	344,353	67,651
Cost of sales	287,552	59,018
Gross profit	56,800	8,632
Selling, general and administrative expenses	58,270	39,716
Operating profit (loss)	△1,469	△31,083
Non-operating income		
Interest income	731	439
Foreign exchange gains	45	721
Subsidy income	396	—
Other	680	1,255
Total non-operating income	1,853	2,416
Non-operating expenses		
Interest expenses	609	509
Share of loss of entities accounted for using equity method	62	271
Other	472	1,264
Total non-operating expenses	1,144	2,045
Ordinary profit (loss)	△760	△30,713
Extraordinary income		
Gain on sales of non-current assets	—	759
Gain on sales of investment securities	965	747
Gain on sales of shares of subsidiaries and associates	—	394
Subsidy income	—	646
Subsidy income related to Coronavirus crisis	—	7,784
Total extraordinary income	965	10,332
Extraordinary losses		
Impairment loss	2,865	548
Losses from downtime	1,185	1,961
Total extraordinary losses	4,051	2,510
Profit (loss) before income taxes	△3,846	△22,890
Income taxes	543	1,113
Profit (loss)	△4,390	△24,003
Profit (loss) attributable to non-controlling interests	△930	△797
Profit (loss) attributable to owners of parent	△3,459	△23,206

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Profit (loss)	(4,390)	(24,003)
Other comprehensive income		
Valuation difference on available-for-sale securities	(846)	59
Deferred gains or losses on hedges	(133)	(0)
Foreign currency translation adjustment	(162)	1,535
Remeasurements of defined benefit plans	91	(11)
Share of other comprehensive income of entities accounted for using equity method	30	28
Other comprehensive income	(1,020)	1,611
Comprehensive income	(5,410)	(22,392)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(4,418)	(21,810)
Comprehensive income attributable to non-controlling interests	(991)	(582)

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Cash flows from operating activities		
Loss before income taxes	△3,846	△22,890
Depreciation	6,437	5,991
Impairment loss	2,865	548
Amortization of goodwill	424	372
Increase (decrease) in provision for bonuses	△4,071	△431
Increase (decrease) in provision for bonuses for directors (and other officers)	△166	5
Increase (decrease) in retirement benefit liability	243	△275
Increase (decrease) in provision for retirement benefits for directors (and other officers)	3	7
Interest and dividend income	△753	△460
Share of loss (profit) of entities accounted for using equity method	62	271
Foreign exchange losses (gains)	556	△710
Interest expenses	609	509
Loss (gain) on sales of investment securities	△965	△747
Loss (gain) on valuation of investment securities	—	39
Loss on retirement of property, plant and equipment and intangible assets	—	19
Other loss (gain)	△352	△704
Decrease (increase) in trade receivables	18,610	1,032
Decrease (increase) in travel advance payments	16,161	2,970
Decrease (increase) in other assets	3,808	6,196
Increase (decrease) in trade payables	△16,782	7,935
Increase (decrease) in accrued consumption taxes	△330	62
Increase (decrease) in accrued expenses	△733	△353
Increase (decrease) in travel advances received	△48,676	△7,513
Increase (decrease) in other liabilities	5,157	△719
Subtotal	△21,737	△8,842
Interest and dividends received	1,119	774
Interest paid	△632	△522
Income taxes (paid) refund	△3,795	△242
Net cash provided by (used in) operating activities	△25,045	△8,833

(Millions of yen)

	Six months ended April 30, 2020	Six months ended April 30, 2021
Cash flows from investing activities		
Payments into time deposits	△16,076	△11,033
Proceeds from withdrawal of time deposits	17,610	11,510
Purchase of securities	—	△105
Proceeds from redemption of securities	—	104
Purchase of property, plant and equipment and intangible assets	△58,056	△7,665
Proceeds from sales of property, plant and equipment and intangible assets	45	5,501
Purchase of investment securities	△1,320	△307
Proceeds from sales of investment securities	5,717	804
Proceeds from redemption of investment securities	—	3,267
Purchase of shares of subsidiaries and associates	△57	△82
Proceeds from sales of shares of subsidiaries and associates	—	65
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	—	228
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	△851	—
Loan advances	△170	△15
Collection of loans receivable	1,167	576
Payments of guarantee deposits	△834	△843
Proceeds from refund of guarantee deposits	1,147	1,121
Revenue from redevelopment project	1,587	—
Other, net	43	1,459
Net cash provided by (used in) investing activities	△50,047	4,584
Cash flows from financing activities		
Proceeds from short-term borrowings	25,090	26,200
Repayments of short-term borrowings	△26,064	△26,104
Proceeds from long-term borrowings	3,400	2,777
Repayments of long-term borrowings	△17,401	△823
Dividends paid	△1,900	—
Dividends paid to non-controlling interests	△431	△8
Proceeds from issuance of shares resulting from exercise of share acquisition rights	—	8,704
Proceeds from share issuance to non-controlling shareholders	—	2,065
Other, net	△350	△1,113
Net cash provided by (used in) financing activities	△17,656	11,697
Effect of exchange rate change on cash and cash equivalents	△44	755
Net increase (decrease) in cash and cash equivalents	△92,794	8,203
Cash and cash equivalents at beginning of period	192,541	80,445
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	208	—
Cash and cash equivalents at end of period	99,955	88,649

(4) Notes on Quarterly Consolidated Financial Statements
(Segments Information)

Information on net sales, incomes or losses by reported segment

Six months ended Apr 30, 2020 (November 1, 2019 – Apr 30, 2020)

(Millions of yen)

	Reportable segments						Other Businesses *1	Total	Eliminations & Corporate *2	Consolidated *3
	Travel Business	Theme Park Business	Hotel Business	Kyushu Sanko Group	Energy Business	Subtotal				
Net Sales										
(1)Sales of outside customers	299,064	9,298	6,066	12,393	13,943	340,766	3,587	344,353	–	344,353
(2)Inter-Segment sales/transfers	525	517	403	1	63	1,512	318	1,831	(1,831)	–
Total	299,589	9,816	6,470	12,394	14,006	342,278	3,906	346,184	(1,831)	344,353
Segment income (loss)	(1,676)	(459)	(494)	198	933	(1,499)	805	(693)	(776)	(1,469)

Note

1. Other Businesses refer to the business segment not included in the report segment, casualty insurance business and real estate businesses among others.
2. Segment incomes (loss) of (776) millions of yen are corporate-wide expenses not included in each reported segment and refer to administrative expenses at the headquarters, not included in the reported segment.
3. Segment incomes (loss) are adjusted with operating incomes in the consolidated financial statements.

Six months ended Apr 30, 2021 (November 1, 2020 – Apr 30, 2021)

(Millions of yen)

	Reportable segments						Other Businesses *1	Total	Eliminations & Corporate *2	Consolidated *3
	Travel Business	Theme Park Business	Hotel Business	Kyushu Sanko Group	Energy Business	Subtotal				
Net Sales										
(1)Sales of outside customers	28,981	7,988	3,027	8,688	17,549	66,236	1,414	67,651	–	67,651
(2)Inter-Segment sales/transfers	37	533	110	2	56	740	349	1,090	(1,090)	–
Total	29,018	8,522	3,138	8,690	17,606	66,976	1,764	68,741	(1,090)	67,651
Segment income (loss)	(18,000)	(603)	(2,612)	(931)	(7,754)	(29,903)	(295)	(30,199)	(884)	(31,083)

Note

1. Other Businesses refer to the business segment not included in the report segment, casualty insurance business and real estate businesses among others.
2. Segment incomes (loss) of (884) millions of yen are corporate-wide expenses not included in each reported segment and refer to administrative expenses at the headquarters, not included in the reported segment.
3. Segment incomes (loss) are adjusted with operating incomes in the consolidated financial statements.