Summary of Financial Results for the Fiscal Period Ended May 31, 2024 (REIT)

July 17, 2024

Issuer of REIT securities: SOSiLA Logistics REIT, Inc. (SLR)
Stock exchange listing: Tokyo Stock Exchange
Securities code: 2979
URL: https://sosila-reit.co.jp/en/
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Scheduled date of filing of Securities Report: August 28, 2024
Scheduled date for commencement of distributions payments: August 15, 2024

Supplementary materials for financial results: Yes
Investors & analysts meeting: Yes

(Values are rounded down to the nearest million yen)

1. Financial Results for the Fiscal Period Ended May 31, 2024 (from December 1, 2023 to May 31, 2024)

(1) Operating Results

(Percentages indicate change from the previous period)

	Operating revenues		Operating profit		Ordinary profit		Profit	
Period ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
May 2024	4,252	(1.9)	2,005	(1.8)	1,773	(2.5)	1,772	(2.5)
Nov. 2023	4,336	3.4	2,041	5.5	1,818	8.3	1,817	8.3

	Profit per unit	Return on equity	Ratio of ordinary profit to total assets	Ratio of ordinary profit to operating revenues
Period ended	Yen	%	%	%
May 2024	2,436	2.2	1.2	41.7
Nov. 2023	2,497	2.3	1.2	41.9

(2) Distributions

	Distributions per unit (excluding surplus cash distributions)	Total distributions (excluding surplus cash distributions)	Surplus cash distributions per unit	Total surplus cash distributions	Distributions per unit (including surplus cash distributions)	Total distributions (including surplus cash distributions)	Payout ratio	Ratio of distributions to net assets
Period ended	Yen	Million yen	Yen	Million yen	Yen	Million yen	%	%
May 2024	2,436	1,772	333	242	2,769	2,014	100.0	2.2
Nov. 2023	2,498	1,817	332	241	2,830	2,058	100.0	2.3

(Note 1) Of the surplus cash distributions per unit of 332 yen in the fiscal period ended November 30, 2023, the allowance for temporary difference adjustments was 22 yen and contribution refunds that fell under distributions accompanying a decrease in capital under tax law were 310 yen.
Of the surplus cash distributions per unit of 333 yen in the fiscal period ended May 31, 2024, the allowance for temporary difference adjustments was 22 yen and contribution refunds that fell under distributions accompanying a decrease in capital under tax law were 311 yen.

(Note 2) The ratios of a reduction in unitholders' paid-in capital attributable to surplus cash distributions (contribution refunds that fell under distributions accompanying a decrease in capital under tax law) in the fiscal period ended November 30, 2023, and the fiscal period ended May 31, 2024, were both 0.003. This calculation is pursuant to Article 23, Paragraph 1, Item 5 of the Order for Enforcement of the Corporation Tax Act (Cabinet Order No. 97 of 1965, as amended).

(3) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per unit
Period ended	Million yen	Million yen	%	Yen
May 2024	146,429	79,307	54.2	109,014
Nov. 2023	146,982	79,594	54.2	109,408

(4) Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the fiscal period
Period ended	Million yen	Million yen	Million yen	Million yen
May 2024	2,229	(16)	(2,058)	6,415
Nov. 2023	3,606	(1,276)	(1,202)	6,260

2. Forecasts for the Fiscal Period Ending November 30, 2024 (from June 1, 2024 to November 30, 2024) and May 31, 2025 (from December 1, 2024 to May 31, 2025)

(Percentages indicate change from the previous period)

	Operating revenues		Operating profit		Ordinary profit		Profit		Distributions per unit (excluding surplus cash distributions)	Surplus cash distributions per unit	Distributions per unit (including surplus cash distributions)
Period ending	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen	Yen
Nov. 2024	4,312	1.4	1,994	(0.5)	1,766	(0.4)	1,765	(0.4)	2,427	343	2,770
May 2025	4,264	(1.1)	2,000	0.3	1,773	0.4	1,772	0.4	2,436	334	2,770

(Reference) Forecasted profit per unit for the fiscal period ending November 30, 2024: 2,427 yen
Forecasted profit per unit for the fiscal period ending May 31, 2025: 2,435 yen

* Other

(1) Changes in Accounting Policies, Accounting Estimates or Restatements

(a) Changes in accounting policies due to revisions to accounting standards and other regulations: None
(b) Changes in accounting policies due to other reasons: None
(c) Changes in accounting estimates: None
(d) Restatements: None

(2) Number of Investment Units Issued and Outstanding

(a) Number of investment units issued and outstanding at the end of the fiscal period including treasury units:

As of May 31, 2024	727,500 units	As of Nov. 30, 2023	727,500 units

(b) Number of treasury units at end of period:

As of May 31, 2024	0 units	As of Nov. 30, 2023	0 units

* Summary of financial results is not inside the scope of audit procedure by certified public accountants or audit corporations.

* Special note

The forward-looking statements in this material are based on information currently available to SOSiLA Logistics REIT, Inc. ("SLR") and on certain assumptions that SLR believes are reasonable. Actual operating performance may differ substantially due to various factors. Furthermore, those statements shall not be deemed a guarantee or any commitment of the amount of future distributions and surplus cash distributions. For information on the assumptions for the earnings forecasts and notes for use of the earnings forecasts, refer to the Assumptions for the Forecasts for Investment Results for the Fiscal Periods Ending November 30, 2024 (from June 1, 2024 to November 30, 2024) and May 31, 2025 (from December 1, 2024 to May 31, 2025) on page 3.

Assumptions for the Forecasts for Investment Results for the Fiscal Periods Ending November 30, 2024 (from June 1, 2024 to November 30, 2024) and May 31, 2025 (from December 1, 2024 to May 31, 2025)

Item	Assumption
Accounting period	- Period ending November 30, 2024: June 1, 2024 to November 30, 2024 (183 days) - Period ending May 31, 2025: December 1, 2024 to May 31, 2025 (182 days)
Portfolio	- It is assumed that there were no changes in the portfolio (including acquisitions of new properties and the disposal of existing properties) until May 31, 2025 in the real estate trust beneficiary interests (for a total of 17 properties) that were held by SLR as of July 17, 2024. - There may be changes in the assets under management, including acquisition of new properties other than the properties to be acquired or the disposal of owned properties, etc.
Operating revenues	- Rent revenues are calculated primarily based on lease agreements effective as of July 17, 2024, trends in tenants and the market in the past, and in consideration of expected occupancy rates based on forecasts for rents and changes in tenants after acquisition and forecasts for changes in rents. - It is assumed that tenants will pay rents without delinquency or withholding. - It is assumed that there will be no gains or losses on the sale of properties.
Operating expenses	- In operating rental expenses, major operating expenses, expenses other than depreciation are calculated from variable factors based on past results. - Rent revenues (excluding gains on the sale of properties) minus operating rental expenses (including depreciation), are expected to be 2,535 million yen in the fiscal period ending November 30, 2024 and 2,534 million yen in the fiscal period ending May 31, 2025. - Property taxes and city planning taxes are expected to be 398 million yen in the fiscal period ending November 30, 2024 and 398 million yen in the fiscal period ending May 31, 2025. - In general, if real estate is sold, property taxes and city planning taxes for the first fiscal year of acquisition are prorated between the existing beneficiary and the purchaser so that the purchaser shall pay taxes in accordance with the period when the real estate is held and will be settled at the time of acquisition. However, SLR included the amount equivalent of this settlement in the acquisition cost. - Building repair expenses, which are calculated based on the medium- to long-term repair and maintenance plans of Sumisho Realty Management Co., Ltd. (“the Asset Manager”), are anticipated to be 62 million yen in the fiscal period ending November 30, 2024 and 65 million yen in the fiscal period ending May 31, 2025. Repair expenses in each accounting period may differ substantially from the expected amounts because repair expenses may be incurred suddenly due to damage to buildings and other unforeseeable factors, the expected amounts vary significantly from year to year in general, and repair expenses are not incurred regularly, among other factors. - Depreciation expenses, including ancillary costs, are calculated using the straight-line method. They are expected to be 772 million yen for the fiscal period ending November 30, 2024 and 773 million yen for the fiscal period ending May 31, 2025.
Non-operating expenses	- Interest expenses and other borrowing related expenses are expected to be 228 million yen in the fiscal period ending November 30, 2024 and 226 million yen in the fiscal period ending May 31, 2025.
Interest-bearing debt	- Total interest-bearing debt is assumed to be 62,020 million yen as of November 30, 2024 and 62,020 million yen as of May 31, 2025. - It is assumed that short-term borrowings of 1,320 million yen that will come due by July 31, 2024 will be entirely refinanced. - LTV is expected to be approximately 42.4% on November 30, 2024 and 42.5% on May 31, 2025. - LTV is calculated using the formula below and rounded to the first decimal place. LTV = Total interest-bearing debt / Total assets × 100
Investment units	- The number of investment units issued and outstanding in the fiscal period ending November 30, 2024, and in the fiscal period ending May 31, 2025, is assumed to be 727,500, the number of investment units issued and outstanding as of July 17, 2024. - It is assumed that there will be no change in the number of investment units issued and outstanding until May 31, 2025.
Distributions per unit (excluding surplus cash distributions)	- Distributions per unit (excluding surplus cash distributions) are calculated based on the assumption that cash will be distributed in accordance with the cash distribution policy set out in the Articles of Incorporation of SLR. - Distributions per unit (excluding surplus cash distributions) may change as a result of changes in rent income due to changes in assets under management and tenants, and unexpected repairs, among other factors.

Item	Assumption
Surplus cash distributions per unit	- Surplus cash distributions per unit are calculated in accordance with the Articles of Incorporation of SLR and the policy set out in the asset management guidelines, which are the internal rules of the Asset Manager. - Total surplus cash distributions are calculated as the sum of 30% of the expected depreciation (excluding the amortization of leasehold rights in trust, etc.), temporary surplus cash distributions intended to level out distributions per unit (including surplus cash distributions), and the allowance for temporary difference adjustments. Total surplus cash distributions are expected to be 249 million yen in the fiscal period ending November 30, 2024 and 242 million yen in the fiscal period ending May 31, 2025. - It is assumed that there is no concrete fear as of July 17, 2024 that the external economic environment, the real estate market and the financial position of SLR will deteriorate significantly. - SLR aims to pay surplus cash distributions in amounts equal to 30% of the depreciation (excluding amortization of leasehold rights in trust, etc.). In general, SLR will regularly pay surplus cash distributions each fiscal period. - SLR may not distribute more cash than the distributed amount if it believes that distributing that much cash is inappropriate, considering the economic environment, trends in the real estate market and rental market, portfolio and the financial position. - In addition to regular surplus cash distributions, SLR may pay temporary surplus cash distributions to maintain the stability of distributions per unit if distributions per unit are expected to fall temporarily to a certain degree due to financing including the issuance of new investment units, among other factors. In addition, in the event of any tax discrepancy (including, but not limited to, tax discrepancies resulting from asset retirement obligations (including interest expenses), amortization of fixed-term leaseholds, etc.), distributions of the allowance for temporary difference adjustments or any other treatment shall be made with the aim of avoiding the generation of taxable income, taking into account the impact of such tax discrepancy on distributions. - Maximum surplus cash distributions (regular surplus cash distributions, temporary surplus cash distributions and distributions of the allowance for temporary difference adjustments), shall be 60% of the accumulated depreciation at the end of the fiscal period minus accumulated depreciation at the end of the immediately preceding fiscal period.
Others	- It is assumed that no revision that will impact the forecasts above will be made to laws and regulations, the tax system, accounting standards, the listing rules of the Tokyo Stock Exchange, Inc. and the rules of the Investment Trusts Association, Japan, etc. - It is assumed that no unexpected material change will arise in overall economic trends and real estate market conditions.

(2) Investment Risk

Disclosure is omitted, as there have been no material changes from the details described in the “Investment Risk” section of the Securities Registration Statement (filed on February 27, 2024).

2. Financial Statements

(1) Balance Sheet

(Thousands of yen)

	As of Nov. 30, 2023	As of May 31, 2024
Assets		
Current assets		
Cash and deposits	2,895,551	3,139,947
Cash and deposits in trust	3,365,314	3,275,723
Operating accounts receivable	331,035	369,610
Prepaid expenses	72,478	99,545
Other	1,449	875
Total current assets	6,665,828	6,885,702
Non-current assets		
Property, plant and equipment		
Buildings in trust	66,332,767	66,333,804
Accumulated depreciation	(3,964,904)	(4,629,957)
Buildings in trust, net	62,367,863	61,703,846
Structures in trust	3,109,527	3,109,527
Accumulated depreciation	(473,432)	(549,664)
Structures in trust, net	2,636,095	2,559,863
Machinery and equipment in trust	437,600	437,600
Accumulated depreciation	(60,558)	(74,558)
Machinery and equipment in trust, net	377,041	363,041
Tools, furniture and fixtures in trust	604	4,016
Accumulated depreciation	(271)	(389)
Tools, furniture and fixtures in trust, net	332	3,626
Land in trust	72,904,500	72,904,500
Total property, plant and equipment	138,285,833	137,534,879
Intangible assets		
Land leasehold interests in trust	1,776,303	1,761,470
Software	2,062	1,123
Total intangible assets	1,778,365	1,762,593
Investments and other assets		
Long-term prepaid expenses	160,078	156,022
Deferred tax assets	23	29
Guarantee deposits	10,000	10,000
Leasehold and guarantee deposits in trust	52,265	52,265
Other	475	1,505
Total investments and other assets	222,843	219,822
Total non-current assets	140,287,042	139,517,295
Deferred assets		
Investment corporation bond issuance costs	29,737	26,162
Total deferred assets	29,737	26,162
Total assets	146,982,608	146,429,160

(Thousands of yen)

	As of Nov. 30, 2023	As of May 31, 2024
Liabilities		
Current liabilities		
Operating accounts payable	218,723	87,199
Short-term borrowings	1,320,000	1,320,000
Current portion of long-term borrowings	8,000,000	–
Accounts payable	9,774	7,330
Accrued expenses	547,583	536,203
Income taxes payable	1,101	1,212
Accrued consumption taxes	269,105	127,487
Advances received	725,806	744,756
Other	6,430	4,558
Total current liabilities	11,098,525	2,828,749
Non-current liabilities		
Investment corporation bonds	4,600,000	4,600,000
Long-term borrowings	48,100,000	56,100,000
Leasehold and security deposits received in trust	3,456,143	3,458,398
Asset retirement obligations	133,599	134,302
Total non-current liabilities	56,289,742	64,292,700
Total liabilities	67,388,268	67,121,450
Net Assets		
Unitholders' equity		
Unitholders' capital	78,953,179	78,953,179
Deduction from unitholders' capital		
Allowance for temporary difference adjustments	(54,140)	(70,145)
Other deduction from unitholders' capital	(1,122,043)	(1,347,568)
Total deduction from unitholders' capital	(1,176,183)	(1,417,713)
Unitholders' capital, net	77,776,995	77,535,465
Surplus		
Unappropriated retained earnings (undisposed loss)	1,817,343	1,772,244
Total surplus	1,817,343	1,772,244
Total unitholders' equity	79,594,339	79,307,710
Total net assets	79,594,339	79,307,710
Total liabilities and net assets	146,982,608	146,429,160

(2) Statement of Income

(Thousands of yen)

	For the period from June 1, 2023 to November 30, 2023	For the period from December 1, 2023 to May 31, 2024
Operating revenues		
Rent revenues	4,065,183	4,074,408
Other rent revenues	271,552	177,850
Total operating revenues	4,336,736	4,252,259
Operating expenses		
Rental expenses	1,747,993	1,682,063
Asset management fees	421,660	415,607
Asset custody and administrative service fees	22,744	22,553
Remuneration for directors	3,000	3,000
Other operating expenses	100,252	123,851
Total operating expenses	2,295,650	2,247,076
Operating profit	2,041,086	2,005,182
Non-operating income		
Interest income	24	28
Gain on forfeiture of unclaimed distributions	512	359
Interest on tax refund	339	–
Total non-operating income	876	387
Non-operating expenses		
Interest expenses	174,145	172,552
Interest expenses on investment corporation bonds	11,502	12,217
Amortization of investment corporation bond issuance costs	3,573	3,574
Borrowing related expenses	34,559	43,817
Total non-operating expenses	223,780	232,163
Ordinary profit	1,818,182	1,773,406
Profit before income taxes	1,818,182	1,773,406
Income taxes - current	1,104	1,216
Income taxes - deferred	1	(5)
Total income taxes	1,106	1,211
Profit	1,817,075	1,772,195
Retained earnings brought forward	268	48
Unappropriated retained earnings (undisposed loss)	1,817,343	1,772,244

(3) Statement of Unitholders' Equity

For the period from June 1, 2023 to November 30, 2023

(Thousands of yen)

	Unitholders' equity				
	Unitholders' capital				
	Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital, net
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	
Balance at the beginning of period	78,953,179	(38,135)	(903,793)	(941,928)	78,011,250
Change during period					
Surplus cash distributions due to an allowance for temporary difference adjustments		(16,005)		(16,005)	(16,005)
Other surplus cash distributions			(218,250)	(218,250)	(218,250)
Dividends of surplus					
Profit					
Total changes during period	–	(16,005)	(218,250)	(234,255)	(234,255)
Balance at the end of period	78,953,179	(54,140)	(1,122,043)	(1,176,183)	77,776,995

(Thousands of yen)

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of period	1,677,883	1,677,883	79,689,133	79,689,133
Change during period				
Surplus cash distributions due to an allowance for temporary difference adjustments			(16,005)	(16,005)
Other surplus cash distributions			(218,250)	(218,250)
Dividends of surplus	(1,677,615)	(1,677,615)	(1,677,615)	(1,677,615)
Profit	1,817,075	1,817,075	1,817,075	1,817,075
Total changes during period	139,460	139,460	(94,794)	(94,794)
Balance at the end of period	1,817,343	1,817,343	79,594,339	79,594,339

For the period from December 1, 2023 to May 31, 2024

(Thousands of yen)

	Unitholders' equity				
	Unitholders' capital				
	Unitholders' capital	Deduction from unitholders' capital			Unitholders' capital, net
		Allowance for temporary difference adjustments	Other deduction from unitholders' capital	Total deduction from unitholders' capital	
Balance at the beginning of period	78,953,179	(54,140)	(1,122,043)	(1,176,183)	77,776,995
Change during period					
Surplus cash distributions due to an allowance for temporary difference adjustments		(16,005)		(16,005)	(16,005)
Other surplus cash distributions			(225,525)	(225,525)	(225,525)
Dividends of surplus					
Profit					
Total changes during period	–	(16,005)	(225,525)	(241,530)	(241,530)
Balance at the end of period	78,953,179	(70,145)	(1,347,568)	(1,417,713)	77,535,465

(Thousands of yen)

	Unitholders' equity			Total net assets
	Surplus		Total unitholders' equity	
	Unappropriated retained earnings (undisposed loss)	Total surplus		
Balance at the beginning of period	1,817,343	1,817,343	79,594,339	79,594,339
Change during period				
Surplus cash distributions due to an allowance for temporary difference adjustments			(16,005)	(16,005)
Other surplus cash distributions			(225,525)	(225,525)
Dividends of surplus	(1,817,295)	(1,817,295)	(1,817,295)	(1,817,295)
Profit	1,772,195	1,772,195	1,772,195	1,772,195
Total changes during period	(45,099)	(45,099)	(286,629)	(286,629)
Balance at the end of period	1,772,244	1,772,244	79,307,710	79,307,710

(4) Statement of Cash Distribution

	For the period from June 1, 2023 to November 30, 2023	For the period from December 1, 2023 to May 31, 2024
I. Unappropriated retained earnings (undisposed loss)	1,817,343,869 yen	1,772,244,269 yen
II. Surplus cash distributions	241,530,000 yen	242,257,500 yen
Of which, an allowance for temporary difference adjustments	16,005,000 yen	16,005,000 yen
Of which, other deduction from unitholders' capital	225,525,000 yen	226,252,500 yen
III. Distributions	2,058,825,000 yen	2,014,447,500 yen
(Distributions per unit)	(2,830 yen)	(2,769 yen)
Of which, distributions of retained earnings	1,817,295,000 yen	1,772,190,000 yen
(Of which, distributions of retained earnings per unit)	(2,498 yen)	(2,436 yen)
Of which, an allowance for temporary difference adjustments	16,005,000 yen	16,005,000 yen
(Of which, surplus cash distributions per unit (those pertaining to an allowance for temporary differences adjustments))	(22 yen)	(22 yen)
Of which, other surplus cash distributions	225,525,000 yen	226,252,500 yen
(Of which, surplus cash distributions per unit (those pertaining to other surplus cash distributions))	(310 yen)	(311 yen)
IV. Retained earnings carried forward	48,869 yen	54,269 yen

	For the period from June 1, 2023 to November 30, 2023	For the period from December 1, 2023 to May 31, 2024
Calculation method of distribution amount	Under the distribution policy established in Article 36, Paragraph 1 of the Articles of Incorporation of SLR, the distribution amount shall exceed 90% of the amount equivalent to the profit available for distributions provided for in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on the policy, SLR declared the distribution amount of 1,817,295,000 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (727,500 investment units) as of the reporting fiscal period. Under the policy on the distribution of money established in Article 36, Paragraph 2 of the Articles of Incorporation of SLR, SLR will make distributions in excess of profit (contribution refunds that fall under distributions accompanying a decrease in capital under tax law) every period. SLR will also distribute an allowance for temporary difference adjustments, taking into account expenses related to asset retirement obligations and the impact of the difference in excess income pertaining to the amortization of leasehold interests in land of general fixed-term land leasehold rights, etc. between the accounting and tax treatments on distributions. Under this policy, as surplus cash distributions, SLR has decided to distribute 241,530,000 yen, which is the sum of 225,525,000 yen (contribution refunds that fall under distributions accompanying a decrease in capital under tax law), which amounts to approximately 30% of depreciation (excluding the amortization of leasehold interests in land in trust, etc.), and 16,005,000 yen (an allowance for temporary difference adjustments), which is approximately equivalent to the difference in excess income between the accounting and tax treatments on distributions.	Under the distribution policy established in Article 36, Paragraph 1 of the Articles of Incorporation of SLR, the distribution amount shall exceed 90% of the amount equivalent to the profit available for distributions provided for in Article 67-15 of the Act on Special Measures Concerning Taxation. Based on the policy, SLR declared the distribution amount of 1,772,190,000 yen which was the amount equivalent to the maximum integral multiples of number of investment units issued and outstanding (727,500 investment units) as of the reporting fiscal period. Under the policy on the distribution of money established in Article 36, Paragraph 2 of the Articles of Incorporation of SLR, SLR will make distributions in excess of profit (contribution refunds that fall under distributions accompanying a decrease in capital under tax law) every period. SLR will also distribute an allowance for temporary difference adjustments, taking into account expenses related to asset retirement obligations and the impact of the difference in excess income pertaining to the amortization of leasehold interests in land of general fixed-term land leasehold rights, etc. between the accounting and tax treatments on distributions. Under this policy, as surplus cash distributions, SLR has decided to distribute 242,257,500 yen, which is the sum of 226,252,500 yen (contribution refunds that fall under distributions accompanying a decrease in capital under tax law), which amounts to approximately 30% of depreciation (excluding the amortization of leasehold interests in land in trust, etc.), and 16,005,000 yen (an allowance for temporary difference adjustments), which is approximately equivalent to the difference in excess income between the accounting and tax treatments on distributions.

(5) Statement of Cash Flows

(Thousands of yen)

	For the period from June 1, 2023 to November 30, 2023	For the period from December 1, 2023 to May 31, 2024
Cash flows from operating activities		
Profit before income taxes	1,818,182	1,773,406
Depreciation	770,120	771,877
Amortization of investment corporation bond issuance costs	3,573	3,574
Interest income	(24)	(28)
Interest expenses	185,648	184,770
Decrease (increase) in operating accounts receivable	(51,388)	(38,575)
Decrease (increase) in consumption taxes refund receivables	849,881	–
Increase (decrease) in accrued consumption taxes	269,105	(141,617)
Decrease (increase) in prepaid expenses	24,452	(27,066)
Increase (decrease) in operating accounts payable	77,492	(117,483)
Increase (decrease) in accounts payable - other	(30,140)	(2,443)
Increase (decrease) in accrued expenses	52,410	(6,493)
Increase (decrease) in advances received	(4,454)	18,950
Decrease (increase) in long-term prepaid expenses	23,135	4,055
Others	(203,447)	(2,651)
Subtotal	3,784,547	2,420,276
Interest received	24	28
Interest paid	(176,833)	(189,657)
Income taxes paid	(1,143)	(1,105)
Net cash provided by (used in) operating activities	3,606,595	2,229,541
Cash flows from investing activities		
Purchase of property, plant and equipment in trust	(1,401,739)	(18,489)
Proceeds from leasehold and security deposits received in trust	214,116	2,510
Refund of leasehold and guarantee deposits received in trust	(88,658)	(255)
Net cash provided by (used in) investing activities	(1,276,282)	(16,234)
Cash flows from financing activities		
Proceeds from short-term borrowings	1,320,000	–
Repayments of short-term borrowings	(3,590,000)	–
Proceeds from long-term borrowings	–	8,000,000
Repayments of long-term borrowings	–	(8,000,000)
Proceeds from issuance of investment corporation bonds	2,978,836	–
Distributions paid	(1,911,702)	(2,058,501)
Net cash provided by (used in) financing activities	(1,202,865)	(2,058,501)
Net increase (decrease) in cash and cash equivalents	1,127,446	154,805
Cash and cash equivalents at the beginning of period	5,133,418	6,260,865
Cash and cash equivalents at the end of period	6,260,865	6,415,670