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Consolidated Financial Results for the Nine Months Ended December 31, 2023 (Under IFRS)



February 2, 2024

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 Listing: Tokyo Stock Exchange
 Securities code: 2327
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 Scheduled date of filing quarterly securities report: February 9, 2024
 Scheduled date of commencing dividend payments: –
 Preparation of supplementary material on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes (for analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results (cumulative) (% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
December 31, 2023	220,119	6.5	23,295	4.4	23,706	4.9	15,483	2.5
December 31, 2022	206,780	5.7	22,323	0.7	22,588	(0.2)	15,099	(0.3)

	Total comprehensive income		Basic earnings per share	Diluted earnings per share
Nine months ended	Million yen	%	Yen	Yen
December 31, 2023	30,923	341.8	169.24	–
December 31, 2022	6,998	(75.0)	165.03	–

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
As of	Million yen	Million yen	Million yen	%
December 31, 2023	338,649	231,115	223,474	66.0
March 31, 2023	319,908	207,800	200,523	62.7

2. Cash Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	—	35.00	—	40.00	75.00
Fiscal year ending March 31, 2024	—	40.00	—		
Fiscal year ending March 31, 2024 (Forecast)				40.00	80.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent	Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
Full year	305,000	4.6	33,500	5.5	34,000	5.9	22,800 3.6	249.21

(Note) Revision to the financial results forecast announced most recently: None

*** Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- 1) Changes in accounting policies required by IFRS: None
 - 2) Changes in accounting policies other than 1) above: None
 - 3) Changes in accounting estimates: None
- (3) Total number of issued shares (common stock)
- 1) Total number of issued shares at the end of the period (including treasury shares):

As of December 31, 2023:	91,501,000 shares
As of March 31, 2023:	91,501,000 shares
 - 2) Total number of treasury shares at the end of the period:

As of December 31, 2023:	8,504 shares
As of March 31, 2023:	4,845 shares
 - 3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023:	91,490,272 shares
Nine months ended December 31, 2022:	91,494,149 shares

* This quarterly consolidated financial results report is exempt from the quarterly review conducted by certified public accountants or an audit corporation.

* Explanation of the proper use of financial results forecast and other notes

- The forecasts stated above are based on information available as of the date of publication of this document. Actual results may differ from these forecasts due to a wide range of factors hereafter.

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1. Qualitative Information on Quarterly Financial Results

(1) Operating Results

Analysis of operating results

Japan saw signs of a mild economic recovery during the nine months ended December 31, 2023, despite a stagnation seen in some parts. However, the outlook remains uncertain, as there is a risk of a slowdown in the Japanese economy as it faces downward pressure from slowing overseas economies, such as with the impact associated with global monetary tightening and concerns about the outlook for the Chinese economy. In addition, close attention should be paid to the impact of rising prices, the situation in the Middle East, and financial market fluctuations.

Corporate earnings have generally improved, and system investment by client companies has remained firm.

Based on the Medium-term Business Strategy 2021–2025 published in April 2021, NS Solutions Corporation (hereinafter, the “Company,” and the Company and its subsidiaries are collectively referred to as the “Group”) defined four focus areas for business growth: digital transformation (DX) in the manufacturing industry, digital platformer, digital workplace solutions, and IT outsourcing. We are endeavoring to expand our business by capturing customer needs for DX to the greatest extent possible.

As part of our efforts to promote customers’ DX, the Company has commenced providing “ConSeek,” an integrated business management platform service for financial institutions as well as a modernization project for an insurance company’s backbone system. It has also introduced a supply and demand management system that leverages “PPPlan,” the Company’s supply chain management cloud service for the food industry. In addition, the Company teamed up with Nippon Steel Corporation to develop a production planning system with mathematical optimization technology, which is designed to realize business reform, with the system already starting full operations.

Moreover, in the AI domain, where the Company has accumulated knowledge, we have started to offer support services powered by generative AI and ChatGPT as well as total support services for “Oracle Cloud VMware Solution,” which aids in lifting backbone systems to the cloud. In addition, we continued to work to expand sales of virtual desktop service “M³DaaS@absonne^{*1}” and electronic transaction and contract service “CONTRACTHUB^{*2}” in an effort to facilitate business growth in our focus areas.

As part of our growth-focused investments, the Company has also entered into business alliances with AI startup company ExaWizards Inc., and NIPPON STEEL TEXENG.CO., LTD. in the digital manufacturing field. In addition, we made TEXENG SOLUTIONS CORPORATION a Group company and have signed an agreement for a capital and business alliance with TOHO SYSTEM SCIENCE CO., LTD., in an effort to strengthen our abilities to respond to customers’ DX needs.

*1. Ranked first in “DaaS market share” for the 10th consecutive year

(Referencing from Fuji Chimera Research Institute, Inc., “2023 Current Trends and Future Prospects of Cloud Computing”)

* 2. Cumulative number of documents registered exceeded 30 million at the end of April 2023

To promote sustainability management, we have organized our value creation process based on our goals to achieve the purpose of our existence in society, defined five material issues, and are working to address them. The Company has been committed to fostering a corporate culture in which everyone can work with vigor and enthusiasm, including the promotion of D&I. Continuing from last year, the Company was awarded the highest gold rating in the Pride Index 2023, which is an evaluation index for initiatives related to LGBTQ+ and other sexual minorities. Additionally, the Company is engaged in various business activities from an ESG

perspective to create a prosperous society, such as with the establishment of “GRID BOX,” an incubator that promotes the training of top-level IT engineers and the creation of employment opportunities in regional areas jointly with Izumo City in Shimane Prefecture and companies in that prefecture. As a result of these efforts, the Company was selected again as an index component of the FTSE4Good Index Series, FTSE Blossom of Japan Index, and FTSE Blossom Japan Sector Relative Index, which are ESG investment benchmarks.

Revenue for the nine months ended December 31, 2023 amounted to 220,119 million yen, an increase of 13,338 million yen compared to 206,780 million yen for the same period of the previous fiscal year. This was due to favorable conditions in digital workplace solutions, the cloud services and Oracle solutions, in addition to higher sales to major banks and Nippon Steel Corporation. Operating profit amounted to 23,295 million yen, an increase of 971 million yen compared to 22,323 million yen for the same period of the previous fiscal year. This was due to increased gross profit including an improved gross profit margin, despite a rise in selling, general and administrative expenses as a result of the implementation of measures to strengthen human capital, including recruiting and training, and the promotion of internal infrastructure improvement in addition to enhancing sales capability.

An overview of the nine months ended December 31, 2023 by service field (Business Solutions and Consulting & Digital Service) is as follows.

Business Solutions

In Business Solutions, revenue for the nine months ended December 31, 2023 totaled 167,536 million yen, an increase of 9,807 million yen compared to 157,729 million yen in the same period of the previous fiscal year. This was mainly due to higher sales to major banks and Nippon Steel Corporation.

Consulting & Digital Service

In Consulting & Digital Service, revenue for the nine months ended December 31, 2023 was 52,582 million yen, an increase of 3,531 million yen from 49,051 million yen in the same period of the previous fiscal year owing to favorable sales in digital workplace solutions, the cloud services and Oracle solutions.

(2) Financial Position

1) Analysis of financial position

Total assets at the end of the nine months ended December 31, 2023 amounted to 338,649 million yen, an increase of 18,740 million yen compared to 319,908 million yen at the end of the previous fiscal year. This was mainly due to increases of 17,472 million yen in other financial assets, 10,528 million yen in contract assets, and 9,539 million yen in inventories, partly offset by a decrease of 19,743 million yen in trade and other receivables.

Total liabilities at the end of the nine months ended December 31, 2023 amounted to 107,534 million yen, a decrease of 4,574 million yen compared to 112,108 million yen at the end of the previous fiscal year. This was mainly due to decreases of 5,304 million yen in bonus payable included in other current liabilities, 4,845 million yen in lease liabilities, and 2,835 million yen in income taxes payable, partly offset by increases of 6,608 million yen in contract liabilities and 4,690 million yen in deferred tax liabilities.

Total equity at the end of the nine months ended December 31, 2023 amounted to 231,115 million yen, an increase of 23,314 million yen compared to 207,800 million yen at the end of the previous fiscal year. The breakdown mainly includes 16,103 million yen of profit, 14,820 million yen of other comprehensive income, and minus 7,319 million yen of dividends paid. As a result, the ratio of equity attributable to owners of parent to total assets was 66.0%.

2) Cash flows

Statement of cash flows

The balance of cash and cash equivalents at the end of the nine months ended December 31, 2023 was 107,338 million yen. Net increase in cash and cash equivalents for the first three quarters of the current fiscal year was 6,015 million yen, compared to a net decrease of 5,842 million yen for the same period of the previous fiscal year. Cash flows by activity type are as follows.

i) Cash flows from operating activities

Cash flows from operating activities for the nine months ended December 31, 2022 resulted in a cash inflow of 9,371 million yen. This mainly consists of 22,588 million yen of profit before tax and 9,396 million yen of depreciation and amortization, a 10,573 million yen decrease in trade and other receivables, a 10,925 million yen increase in contract assets, a 6,633 million yen increase in inventories, a 2,795 million yen increase in trade and other payables, a 4,921 million yen decrease in bonus payable, and 10,915 million yen of income taxes paid. On the other hand, cash flows from operating activities for the nine months ended December 31, 2023 resulted in a cash inflow of 18,288 million yen. This mainly consists of 23,706 million yen of profit before tax and 9,013 million yen of depreciation and amortization, a 19,300 million yen decrease in trade and other receivables, a 10,514 million yen increase in contract assets, and a 9,463 million yen increase in inventories, a 6,264 million yen increase in trade and other payables, a 5,312 million yen decrease in bonus payable, and income taxes paid of 11,951 million yen.

ii) Cash flows from investing activities

Cash flows from investing activities for the nine months ended December 31, 2022 resulted in a cash outflow of 2,612 million yen. This mainly consists of 3,270 million yen of purchase of property, plant and equipment, and intangible assets, 4,745 million yen of purchase of other financial assets, and 5,504 million yen of proceeds from sale and redemption of other financial assets. On the other hand, cash flows from investing activities for the nine months ended December 31, 2023 resulted in a cash inflow of 739 million yen. This mainly consists of 2,626 million yen of purchase of property, plant and equipment, and intangible assets, 4,376 million yen of purchase of other financial assets, and 7,555 million yen of proceeds from sale and redemption of other financial assets.

iii) Cash flows from financing activities

Cash flows from financing activities for the nine months ended December 31, 2022 resulted in a cash outflow of 12,868 million yen. This mainly consists of 6,114 million yen of repayments of lease liabilities and 6,496 million yen of dividends paid. On the other hand, cash flows from financing activities for the nine months ended December 31, 2023 resulted in a cash outflow of 13,238 million yen. This mainly consists of 5,603 million yen of repayments of lease liabilities and 7,319 million yen of dividends paid.

Information on capital resources and liquidity of funds

i) Basic policy

The Group believes that it is important to continuously maintain and strengthen its competitiveness and increase its corporate value into the future.

Therefore, we seek to maintain sufficient internal reserves to prepare for capital requirements for business growth and business risks such as wide-area disasters. The capital requirements include those for initiatives to steadily capture evolving DX needs, continuously enhance high-value-added businesses and overall corporate value, further strengthen acquisition and training of excellent human resources, and conduct

thorough internal controls and risk management. At the same time, regarding profit distribution, our basic policy is to implement appropriate and stable distribution of dividends to shareholders.

We aim for a consolidated dividend payout ratio of 30%, with a focus on returning profits to shareholders in line with consolidated performance.

ii) Capital requirements and financing

Major capital requirements of the Group include capital expenditures and operating expenses such as material costs, outsourcing costs, labor costs, overhead costs, and selling, general and administrative expenses. Those capital requirements are satisfied by own funds.

As for working capital on hand, the Company concentrates surplus funds from subsidiaries in the Company for centralized management by implementing the cash management system (CMS) and also having certain of its domestic subsidiaries implement the same system. Note that the Company's CMS is administered by Nippon Steel Corporation with 97,777 million yen deposited in the system as of December 31, 2023 being presented as part of cash and cash equivalents.

For unexpected capital requirements, the Company has overdraft arrangements with major banks and Nippon Steel Corporation, its parent company, to prepare for liquidity risks.

(3) Consolidated Financial Results Forecast and Other Forward-looking Information

No revisions have been made to the consolidated financial results forecast announced on April 28, 2023.

2. Condensed Quarterly Consolidated Financial Statements and Primary Notes

(1) Condensed Quarterly Consolidated Statements of Financial Position

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	101,322	107,338
Trade and other receivables	65,822	46,078
Contract assets	14,059	24,587
Inventories	21,526	31,066
Other financial assets	2,472	1,244
Other current assets	2,180	3,010
Total current assets	207,383	213,326
Non-current assets		
Property, plant and equipment	18,661	17,302
Right-of-use assets	24,939	20,160
Goodwill	2,923	2,923
Intangible assets	3,731	3,956
Investments accounted for using equity method	181	189
Other financial assets	58,132	76,832
Deferred tax assets	3,814	3,825
Other non-current assets	141	131
Total non-current assets	112,525	125,323
Total assets	319,908	338,649

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Trade and other payables	24,656	22,703
Contract liabilities	16,282	22,890
Lease liabilities	7,242	7,030
Other financial liabilities	1,145	2,825
Income taxes payable	6,445	3,609
Provisions	526	565
Other current liabilities	16,320	7,804
Total current liabilities	72,619	67,428
Non-current liabilities		
Lease liabilities	17,786	13,153
Other financial liabilities	216	104
Retirement benefit liability	10,944	11,369
Provisions	3,111	3,339
Deferred tax liabilities	3,352	8,042
Other non-current liabilities	4,077	4,095
Total non-current liabilities	39,489	40,105
Total liabilities	112,108	107,534
Equity		
Share capital	12,952	12,952
Capital surplus	9,951	9,940
Retained earnings	153,016	164,787
Treasury shares	(17)	(32)
Other components of equity	24,620	35,825
Total equity attributable to owners of parent	200,523	223,474
Non-controlling interests	7,277	7,641
Total equity	207,800	231,115
Total liabilities and equity	319,908	338,649

(2) Condensed Quarterly Consolidated Statements of Profit or Loss and Condensed Quarterly Consolidated Statements of Comprehensive Income

Condensed Quarterly Consolidated Statements of Profit or Loss

Nine months ended December 31, 2022 and 2023

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Revenue	206,780	220,119
Cost of sales	(160,155)	(169,214)
Gross profit	46,625	50,904
Selling, general and administrative expenses	(24,387)	(27,459)
Share of profit (loss) of investments accounted for using equity method	(2)	8
Other income	179	164
Other expenses	(90)	(322)
Operating profit	22,323	23,295
Finance income	493	538
Finance costs	(228)	(127)
Profit before tax	22,588	23,706
Income tax expense	(6,975)	(7,602)
Profit	15,612	16,103
Profit attributable to		
Owners of parent	15,099	15,483
Non-controlling interests	513	620
Earnings per share		
Basic earnings per share (yen)	165.03	169.24

Three months ended December 31, 2022 and 2023

(Millions of yen)

	Three months ended December 31, 2022	Three months ended December 31, 2023
Revenue	72,094	75,345
Cost of sales	(55,916)	(57,846)
Gross profit	16,178	17,498
Selling, general and administrative expenses	(7,923)	(8,798)
Share of profit (loss) of investments accounted for using equity method	(15)	(6)
Other income	123	52
Other expenses	(43)	(92)
Operating profit	8,319	8,652
Finance income	96	104
Finance costs	(63)	(62)
Profit before tax	8,352	8,694
Income tax expense	(2,418)	(2,510)
Profit	5,933	6,183
Profit attributable to		
Owners of parent	5,701	5,983
Non-controlling interests	232	199
Earnings per share		
Basic earnings per share (yen)	62.31	65.40

Condensed Quarterly Consolidated Statements of Comprehensive Income

Nine months ended December 31, 2022 and 2023

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Profit	15,612	16,103
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
Remeasurement of net defined benefit liability (asset)	(39)	0
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(8,979)	14,497
Total of items that will not be reclassified to profit or loss	(9,019)	14,497
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	405	323
Total of items that may be reclassified to profit or loss	405	323
Total other comprehensive income, net of tax effect	(8,613)	14,820
Comprehensive income	6,998	30,923
Comprehensive income attributable to		
Owners of parent	6,473	30,295
Non-controlling interests	525	627

Three months ended December 31, 2022 and 2023

(Millions of yen)

	Three months ended December 31, 2022	Three months ended December 31, 2023
Profit	5,933	6,183
Other comprehensive income, net of tax effect		
Items that will not be reclassified to profit or loss		
Remeasurement of net defined benefit liability (asset)	0	—
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(41)	8,323
Total of items that will not be reclassified to profit or loss	(41)	8,323
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	38	77
Total of items that may be reclassified to profit or loss	38	77
Total other comprehensive income, net of tax effect	(2)	8,400
Comprehensive income	5,931	14,583
Comprehensive income attributable to		
Owners of parent	5,697	14,380
Non-controlling interests	234	202

(3) Condensed Quarterly Consolidated Statements of Changes in Equity

Nine months ended December 31, 2022 (April 1, 2022 to December 31, 2022)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurement of net defined benefit liability (asset)
Balance at beginning of period	12,952	9,950	134,844	(2)	39,892	—
Profit	—	—	15,099	—	—	—
Other comprehensive income	—	—	—	—	(8,979)	(39)
Comprehensive income	—	—	15,099	—	(8,979)	(39)
Dividends of surplus	—	—	(6,496)	—	—	—
Purchase of treasury shares	—	—	—	(50)	—	—
Disposal of treasury shares	—	0	—	0	—	—
Share-based payment transactions	—	(11)	—	34	—	—
Transfer from other components of equity to retained earnings	—	—	2,191	—	(2,230)	39
Total transactions with owners	—	(10)	(4,304)	(14)	(2,230)	39
Balance at end of period	12,952	9,939	145,638	(17)	28,681	—

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	193	40,086	197,831	6,738	204,569
Profit	—	—	15,099	513	15,612
Other comprehensive income	394	(8,625)	(8,625)	11	(8,613)
Comprehensive income	394	(8,625)	6,473	525	6,998
Dividends of surplus	—	—	(6,496)	(207)	(6,703)
Purchase of treasury shares	—	—	(50)	—	(50)
Disposal of treasury shares	—	—	0	—	0
Share-based payment transactions	—	—	23	—	23
Transfer from other components of equity to retained earnings	—	(2,191)	—	—	—
Total transactions with owners	—	(2,191)	(6,522)	(207)	(6,729)
Balance at end of period	587	29,269	197,782	7,056	204,839

Nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(Millions of yen)

	Equity attributable to owners of parent					
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity	
					Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Remeasurement of net defined benefit liability (asset)
Balance at beginning of period	12,952	9,951	153,016	(17)	24,159	—
Profit	—	—	15,483	—	—	—
Other comprehensive income	—	—	—	—	14,497	0
Comprehensive income	—	—	15,483	—	14,497	0
Dividends of surplus	—	—	(7,319)	—	—	—
Purchase of treasury shares	—	—	—	(51)	—	—
Share-based payment transactions	—	(10)	—	36	—	—
Transfer from other components of equity to retained earnings	—	—	3,607	—	(3,607)	(0)
Total transactions with owners	—	(10)	(3,712)	(14)	(3,607)	(0)
Balance at end of period	12,952	9,940	164,787	(32)	35,049	—

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Exchange differences on translation of foreign operations	Total			
Balance at beginning of period	460	24,620	200,523	7,277	207,800
Profit	—	—	15,483	620	16,103
Other comprehensive income	315	14,812	14,812	7	14,820
Comprehensive income	315	14,812	30,295	627	30,923
Dividends of surplus	—	—	(7,319)	(263)	(7,583)
Purchase of treasury shares	—	—	(51)	—	(51)
Share-based payment transactions	—	—	25	—	25
Transfer from other components of equity to retained earnings	—	(3,607)	—	—	—
Total transactions with owners	—	(3,607)	(7,345)	(263)	(7,608)
Balance at end of period	776	35,825	223,474	7,641	231,115

(4) Condensed Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Cash flows from operating activities		
Profit before tax	22,588	23,706
Depreciation and amortization	9,396	9,013
Impairment losses	–	166
Interest income	(177)	(198)
Dividend income	(297)	(276)
Interest expenses	78	60
Share of loss (profit) of investments accounted for using equity method	2	(8)
Decrease (increase) in trade and other receivables	10,573	19,300
Decrease (increase) in contract assets	(10,925)	(10,514)
Decrease (increase) in inventories	(6,633)	(9,463)
Increase (decrease) in trade and other payables	2,795	6,264
Increase (decrease) in bonus payable	(4,921)	(5,312)
Increase (decrease) in consumption tax payable etc.	(2,160)	(3,191)
Other	(434)	274
Subtotal	19,884	29,821
Interest received	182	203
Dividends received	297	276
Interest paid	(78)	(60)
Income taxes paid	(10,915)	(11,951)
Net cash provided by (used in) operating activities	9,371	18,288
Cash flows from investing activities		
Payments into time deposits	(48)	(297)
Proceeds from withdrawal of time deposits	–	559
Purchase of property, plant and equipment, and intangible assets	(3,270)	(2,626)
Purchase of other financial assets	(4,745)	(4,376)
Proceeds from sale and redemption of other financial assets	5,504	7,555
Other	(52)	(75)
Net cash provided by (used in) investing activities	(2,612)	739
Cash flows from financing activities		
Repayments of lease liabilities	(6,114)	(5,603)
Dividends paid	(6,496)	(7,319)
Dividends paid to non-controlling interests	(207)	(263)
Purchase of treasury shares	(50)	(51)
Other	0	–
Net cash provided by (used in) financing activities	(12,868)	(13,238)
Effect of exchange rate changes on cash and cash equivalents	267	225
Net increase (decrease) in cash and cash equivalents	(5,842)	6,015
Cash and cash equivalents at beginning of period	95,706	101,322
Cash and cash equivalents at end of period	89,864	107,338

(5) Notes to Condensed Quarterly Consolidated Financial Statements

Going concern assumption

Not applicable.